

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**March 11, 2010 at 2:00 p.m.**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

The March 2010 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 2:05 p.m. at the Clubhouse Inn in Topeka by Board President Jim Wise on Thursday, March 11, 2010. Trustees present included: Jim Wise, Miami County Commissioner, President; Doyle 'Hooley' Alcorn, Jewell County Commissioner, Vice-President; Linda Buttron, Jefferson County Clerk, Secretary; Michelle Garrett, Morris County Clerk, Controller; Bonnie Swartz, Gray County Clerk; Frances Garcia, Reno County Commissioner and Ralph D. Unger, Decatur County Commissioner.

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

Insurance Management Associates (IMA) appeared by Mr. Gene Miller, Ms. Ashley Boydston and Mr. Paul Davis.

President Wise addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the addition of Agenda Item No. 4c, "Conversation with KAC." He also stated that there would not be Trustee Training as Mr. Scott Blair was unable to attend the meeting. Ms. Swartz moved to approve the agenda with those changes. Ms. Garcia seconded the motion, which CARRIED unanimously.

President Wise addressed Agenda Item No. 3a, "Consideration of Minutes of Meeting of February 18, 2010." Mr. Unger recommended a spelling correction to the Minutes and then moved to approve the minutes with that change. Ms. Garrett seconded the motion, which CARRIED unanimously.

President Wise addressed Agenda Item No. 4, "Administrator's Report." Mr. Parrish first addressed Agenda Item No. 4a, "Checks Requiring Board Approval and Ratification of Wire Transfers." He itemized the electronic transfer of funds and the checks requiring approval. Ms. Swartz moved to ratify the transfer and approve the checks as presented. Mr. Unger seconded the motion, which CARRIED unanimously.

Mr. Parrish then addressed Agenda Item No. 4b, "Approval of Investments – KWORCC Resolution No. 2010-31." Mr. Parrish reviewed United States treasury investments during the period December 1, 2009 through February 28, 2010, which are to be approved by the KWORCC Board of Trustees as required by KSA 40-2a01. Mr. Alcorn moved to adopt KWORCC Resolution No. 2010-31 for the approval of the stated investments. Ms. Garcia seconded the motion which CARRIED unanimously.

Mr. Parrish discussed the progress on reaching a marketing and sponsorship agreement with the Kansas Association of Counties (KAC). He said he and KAC Executive Director Randy Allen had agreed to discuss this matter in detail after the end of the legislative session. He hopes to have an agreement shortly thereafter to begin July 1, 2010 for the second half of the fiscal year.

President Wise then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities.

President Wise addressed Agenda Item No. 6, "Financial Report." Mr. Alexander reported on the preliminary January and February 2010 financial statements. Ms. Swartz moved to receive and file the reports as presented; Ms. Buttron seconded the motion, which CARRIED unanimously. Mr. Alexander next recommended allocating \$60,000 from investment income to policy year 2001, effective December 31, 2009. Ms. Swartz moved to follow Mr. Alexander's recommendation. Ms. Garcia seconded the motion, which CARRIED unanimously.

Mr. Alexander presented the check register. Mr. Unger moved to approve check Nos. 13567 through 13603 and the direct debits, all as presented. Ms. Garrett seconded the motion, which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of March 3, 2010 and March 10, 2010. He stated that staff will request Country Club Bank modify the report to include the amounts reinvested. This will provide a more accurate picture of the equity investments. The Board agreed that such would be helpful.

President Wise next addressed Agenda Item No. 7, "Claims Report – IMA." Addressing Agenda Item No. 7a, "Select Claims Review," Mr. Miller reported on claims and answered questions.

For Agenda Item No. 7b, "Logicomp Bill Review Report," Mr. Davis reported that for the period beginning January 1, 2010 through February 28, 2010, the total amount billed is \$426,573; the actual paid amount is \$254,777 for a net savings after fees of \$171,796. This is more than 40% of the amount billed for this 2-month period.

Mr. Davis then explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by IMA shows KWORCC's claim history for policy years 2007 through 2010. The documents consist of graphs which compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. Mr. Davis emphasized these charts should not be considered as a guarantee of either good or poor ultimate loss performance.

President Wise called upon Messrs. Eyman and Rippee to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Eyman reviewed calendars for February, March and April for the loss-prevention staff. Mr. Rippee reported that the visits to Commissioners are progressing well.

President Wise addressed Agenda Item No. 9, "Legal Report." Mr. Parrish presented a Legislative Update from February 19, 2010 published by the Kansas Self-Insurers Association. Senate Bill 547 is the main legislative proposal this year to watch. It contains many proposals which would increase benefits and put a burden on self-insurance pools. He said that this legislation is unlikely to pass as it currently is written. He said that if any legislation making major changes in the workers compensation laws were to pass, there would need to be agreement between business and labor interests.

Next, President Wise addressed Agenda Item No. 10, "Committee Reports." Ms. Garcia reported that the Personnel Committee met and is recommending a two percent cost-of-living increase for the Staff effective April 1, 2010. Mr. Alcorn moved to approve the committee's recommendations. Ms Garcia seconded the motion which CARRIED unanimously. The Personnel Committee also recommended paying a \$15,000 performance enhancement to be allocated among the staff at the discretion of the Administrator. Ms. Garcia moved to approve the committee's recommendation. Mr. Alcorn seconded the motion, which CARRIED unanimously. Finally, the Personnel Committee recommended an increase of \$1,900 to the secretarial/clerical services line item in the 2010 budget. This is to cover the unexpected increase in the cost of health insurance. Mr. Unger moved to adopt the committee's recommendation. Ms. Garrett seconded the motion, which CARRIED unanimously.

President Wise reminded the Board the Trustee Training had been postponed to another meeting.

President Wise then addressed Agenda Item No. 12, "Other Business." There was no other business to bring before the Board.

There being nothing further before the Board, Mr. Unger moved to adjourn at 3:28 p.m. Ms. Swartz seconded the motion, which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 22nd day of April, 2010.

Linda Buttron, Secretary  
KWORCC Board of Trustees