

Minutes
Meeting, Board of Trustees
Kansas Worker Risk Cooperative for Counties
June 21, 2007 at 1:30 p.m. Via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The June 2007 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was held by teleconference and called to order by Board President Ralph D. Unger on Thursday, June 21, 2007 at 1:35 p.m. after a roll call to verify participation. Trustees participating included Ralph D. Unger, Decatur County Commissioner, President; Francis "Shep" Schoepf, Reno County Commissioner, Vice President; Michelle Garrett, Morris County Clerk, Secretary; Linda M. Buttron, Jefferson County Clerk, Controller; Bonnie Swartz, Gray County Clerk; Doyle "Hooley" Alcorn, Jewell County Commissioner and Jim Wise, Miami County Commissioner.

Staff participating from the KWORCC office included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator/Staff Counsel; Mr. Philip J. Rippee, Loss Prevention Specialist; Mr. Richard Alexander, Accountant and Ms. Nicole Jarboe, Administrative Assistant. Mr. Carl Eyman, Deputy Administrator and Loss Prevention Specialist, was excused from the meeting to perform safety training in the western part of the state.

Others present on the conference call included Ms. Annette Duncan, Mr. Tris Felix, Mr. Paul Davis and Mr. Gus Campuzano of Insurance Management Associates (IMA).

President Unger addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Schoepf moved to approve the agenda as presented. Mr. Wise seconded the motion, which CARRIED unanimously.

President Unger addressed Agenda Item No. 3, "Consideration of minutes of the meeting of May 17, 2007." Ms. Swartz moved to approve the minutes as presented. Ms. Buttron seconded the motion, which CARRIED unanimously.

President Unger 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 reviewed checks for approval and wire transfers of funds. Mr. Wise moved to approve the checks and ratify the wire transfers as presented. Ms. Swartz seconded the motion, which CARRIED unanimously.

Mr. Parrish addressed Agenda Item No. 4b, "Annual Meeting Information." He reviewed the floor plan for KWORCC and KCAMP vendor booth locations proposed for the Kansas Association of Counties 32nd Annual Conference & Exhibition scheduled in November. Also, he reviewed a preliminary agenda, which reflects a change in schedule for the vendor booths from past years. This year, in lieu of opening at 10:00 a.m. and closing at 6:00 p.m., the booths will be open at 6:00 p.m. until 9:00 p.m. on Sunday, the first day of the conference. He reported that the annual meeting for KWORCC and KCAMP is scheduled for 5:00 p.m. on Monday November 19, 2007.

Mr. Parrish then addressed Agenda Item No. 4c, "Loss Prevention Manual - Update." He stated the staff is working on a new draft on the Loss Prevention Manual. Mr. Rippee and Mr. Eyman are preparing recommendations.

Mr. Parrish next addressed Agenda Item No. 4d, "Welcome Nicole Jarboe – Administrative Assistant." He mentioned he has worked with Nicole at his law office in the past and knew her to be a loyal and reliable employee. Furthermore, he noted that Nicole hit the ground running and has already made progress in bringing some KWORCC projects up to date. President Unger extended the Trustees' welcome to Ms. Jarboe.

President Unger asked for a report on Agenda Item No.5, "Marketing Report." Mr. Rippee stated that Mr. Eyman requested he conduct a safety evaluation in Cowley County in preparation for a bid. Ms. Bird stated a nursing home in Norton County is requesting information on KWORCC and may be applying for coverage.

President Unger called on Mr. Alexander to address Agenda Item No. 6, "Financial Reports." Mr. Alexander discussed in detail the final financial reports for May 2007. Ms. Buttron moved to receive and file the reports as presented. Mr. Wise seconded the motion, which CARRIED unanimously.

Mr. Alexander presented the check register. Mr. Schoepf moved to approve check Nos. 11903 through 11953 and the direct deposits, all as presented. Ms. Swartz seconded the motion, which CARRIED unanimously.

Mr. Alexander then reviewed a spreadsheet showing the value of KWORCC's equity investments as of June 13, 2007.

President Unger addressed Agenda Item No.7, "Claims Report." Ms. Duncan reported on several claims and answered questions.

Ms. Duncan reviewed the Logicomp report for the period of January 1, 2007 through May 31, 2007. She stated that the total amount billed is \$1,324,620.25. The report showed actual paid amount to be \$826,471.56 for net savings of \$474,060.42 or 35.79% for this five-month period.

Next, Mr. Felix presented an analytical review of KWORCC's claim history for policy years 2005 through 2007. Separate exhibits compared the actual paid and incurred claim payments to the estimated paid and incurred claim payments. The intent of the presentation was to provide Board members a visual comparison of the currently estimated losses, the actuarial projected losses and the budgeted losses. IMA staff emphasized these charts should not be viewed as a guarantee of either good or poor ultimate-loss performance.

President Unger called upon Mr. Rippee to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Rippee reported on visits to counties for safety training, inspections, commissioner meetings and other visits. He stated the calendar accurately reflects his and Mr. Eyman's activities. They are both returning to full schedule after the time devoted to loss-prevention education at the national PRIMA conference. He indicated that the schedule for classes being presented by KWORCC in the remaining months of the year reflect an increase over previous years.

President Unger addressed Agenda Item No.9, "Legal Report." Mr. Parrish had no legal matters to report.

There were no committee reports for Agenda Item No. 10

Mr. Parrish addressed Agenda Item No. 11, "Trustee Training: PRIMA National Review." He requested the input from the Trustees on what they found most helpful from PRIMA. Mr. Schoepf stated he attended an excellent three-hour session on law enforcement. Ms. Buttron stated the session on workplace wellness she attended presented many good ideas on low-cost activities to promote wellness. Mr. Wise stated he too attended a workplace wellness session, and learned keeping workers healthy is a good way to bring down insurance costs. Mr. Rippee stated he attended many good sessions including one on enforcement of prerequisites for underwriting. Mr. Parrish stated he attended a good session on using "carrots and sticks" for effective loss prevention. Ms. Buttron requested a copy of that presentation, and Mr. Parrish said he would forward it to everyone. Mr. Unger stated he attended a session on employee performance appraisals, which emphasized that employee evaluations need to be regular, real, honest and accurate, and if they are not, its better not to not do them at all. Everyone agreed there had been many good sessions from which to choose and that this was one of the best conferences any had attended.

Under Agenda Item 12 "Other Items," Mr. Parrish reminded the Trustees of the Investment Committee Meeting at 12:30 prior to the July 19, 2007 Board Meeting. Mr. Marc D'Andrea will be present to assist the committee with its consideration of equity investments.

There being no further business on the agenda, Ms. Garrett moved to adjourn at 2:39 pm. Ms. Swartz seconded the motion, which CARRIED unanimously.

The FOREGOING MINUTES of the Board of Trustees of Kansas Workers Risk Cooperative for Counties were approved by the Board of Trustees on the 19th day of July 2007.

Michelle Garrett, Secretary
KWORCC Board of Trustees