

Minutes
Meeting, Board of Trustees
Kansas Worker Risk Cooperative for Counties
May 17, 2007 at 1:00 p.m.
Clubhouse Inn
924 SW Henderson Road
Topeka, KS 66615

The May 2007 meeting of the Board of Trustees of the Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order by Board President Ralph D. Unger on Thursday, May 17, 2007 at 1:00 p.m. 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 and Doyle "Hooley" Alcorn, Jewell County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator/Staff Counsel; Mr. Carl D. Eyman, ARM-P, Deputy Administrator/Loss Prevention Specialist; Mr. Philip J. Rippee, Loss Prevention Specialist and Mr. Richard Alexander, Accountant.

Others present included Ms. Annette Duncan, Mr. Tris Felix and Mr. Gus Campuzano of Insurance Management Associates (IMA).

President Unger addressed Agenda Item No. 2, "Approval of the Agenda." President Unger requested an addition, as follows: Item No. 3a, "Excuse Jim Wise from meeting." Ms. Swartz moved to approve the agenda with the addition. Mr. Alcorn seconded the motion, which CARRIED unanimously.

President Unger addressed Agenda Item No. 3, "Consideration of minutes of the meeting of April 27, 2007." Mr. Schoepf moved to approve the minutes as presented. Ms. Garrett seconded the motion, which CARRIED unanimously. Ms. Buttron then moved to excuse Jim Wise from the meeting for family reasons. Ms. Swartz 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. Alcorn moved to approve the checks and wire transfers as presented. Ms. Swartz seconded the motion, which CARRIED unanimously.

Ms. Bird addressed Agenda Item No. 4b, "2006 Premium Audit Receipts." She reviewed a handout that reflected all premium audit receipts and how they were allocated.

President Unger then addressed Agenda Item No. 4c, "PRIMA National Update." Ms. Bird recounted the registration and travel information. Mr. Felix stated that he would be giving a business ethics presentation during the conference and invited the Trustees to attend.

President Unger called on Mr. Eyman to address Agenda Item No.5, "Marketing Report." Mr. Eyman stated there was nothing to report on marketing.

President Unger called on Mr. Alexander to address Agenda Item No. 6, "Financial Reports." Mr. Alexander discussed in detail the final financial reports for April 2007. He then asked for and responded to questions. Mr. Schoepf moved to receive and file the reports as presented. Ms. Swartz seconded the motion, which CARRIED unanimously.

Mr. Alexander presented the check register. Ms. Swartz moved to approve check Nos. 11843 through 11902 as well as the direct deposits, all as presented. Ms. Buttron seconded the motion, which CARRIED unanimously.

Mr. Alexander then reviewed a spreadsheet showing the value of KWORCC's equity investments as of May 8, 2007.

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

Ms. Duncan requested authorization from the Board to settle claim No 04-2984. After discussion, Ms. Swartz moved to approve the settlement as presented. Mr. Schoepf seconded the motion, which CARRIED unanimously.

Ms. Duncan reviewed the Logicomp report for the period of January 1, 2007 through April 30, 2007. She stated that the total amount billed is \$1,037,021.23. The report showed \$36,000.03 had been detected in duplicate billings that were deleted from the total amount billed. She further indicated a total of \$385,058.92 in recommended adjustments to comply with the Kansas fee schedule and for other provider write offs. Inclusive of the cost for bill review and nurse case management services of \$19,014.11, the amount KWORCC paid was reduced to \$651,962.31 for net savings of \$366,044.81 for this four-month period. Ms. Duncan then asked for and responded to questions.

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 declared a break in the meeting. Mr. Steve Johnson, JD arrived during the break.

President Unger reconvened the meeting and stated that in light of Mr. Johnson's availability, he proceed directly to Agenda Item No. 11, "Trustee Training: Employment Law 101." Mr. Johnson reviewed the type of questions that could and could not be asked of a potential employee as well as requirements under the Americans with Disabilities Act and sexual harassment. He answered questions throughout the presentation. President Unger thanked Mr. Johnson for his interesting and informative presentation.

President Unger called upon Mr. Eyman and Mr. Rippee to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Eyman and Mr. Rippee reported on visits to counties for safety training, inspections, commissioner meetings and other visits. Mr. Eyman reviewed summaries of evaluations by participants of his supervisor training at the Road Scholar Program given April 24-26, 2007. Mr. Eyman requested permission to be excused from the June 21, 2007 meeting because of a scheduling conflict. President Unger excused Mr. Eyman from the June Board meeting.

President Unger addressed Agenda Item No.9, "Legal Report." Mr. Parrish stated that there was no legal report.

President Unger addressed Agenda Item No. 10a, "Schedule Investment Committee Meeting." Ms. Bird indicated that Mr. Marc D'Andrea would be available to meet with the Investment Committee at its July 19, 2007 meeting to review equity investments. The Committee members present determined to hold the meeting at Clubhouse Inn Conference room on at 12:30 pm on that date.

There being no further business on the agenda, Ms. Swartz moved to adjourn at 3:26 pm. Mr. Schoepf 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 21st day of June 2007.

Michelle Garrett, Secretary
KWORCC Board of Trustees