

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Worker Risk Cooperative for Counties**  
**March 13, 2008 at 1:00 p.m.**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

The March 2008 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:11 p.m. at the Clubhouse Inn in Topeka by Board Vice-President Michelle Garrett on Thursday, March 13, 2008. Trustees participating included, 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; and Doyle "Hooley" Alcorn, Jewell County Commissioner.

Staff participating from the KWORCC office 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; Ms. Nicole Jarboe, Executive Assistant and Media Director.

Others present included Ms. Annette Duncan, Mr. Gus Campuzano and Mr. Paul Davis of Insurance Management Associates (IMA) and Mr. John Burrows of Logicomp Business Solutions.

Vice-President Garrett addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Unger moved to approve the agenda as presented. Ms. Swartz seconded the motion, which CARRIED unanimously.

Vice-President Garrett addressed Agenda Item No. 3, "Consideration of Minutes of Meeting of February 12, 2008." Mr. Unger noted two typographical errors and moved to approve the minutes with corrections. Mr. Wise seconded the motion, which CARRIED unanimously.

Ms. Swartz moved to excuse President Schoepf from the meeting due to illness. Mr. Alcorn seconded the motion which CARRIED unanimously.

Vice-President Garrett 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. Wise 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, "Workers Compensation Legislation." He explained three bills currently before the Kansas House of Representatives dealing with workers compensation.

Next, Mr. Parrish asked Ms. Bird to address Agenda Item No. 4c, "Report on 2008 Receipts and 2007 Audits." Ms. Bird reviewed a list of the premiums received thus far and stated that all premiums for 2008 have been paid. She also explained the premiums are separated by depositing 70% into the claims account and 30% into the administrative account as required by the Kansas Insurance Department (KID) examiner. She stated that all of the payroll audits for 2007 policy year have been received and are still under review. The results will be presented at the next Board Meeting.

Next Ms. Bird addressed Agenda Item No. 4d, "National PRIMA Conference." She reviewed the descriptions of various events planned for the conference, tickets for which can be purchased at time of online registration or at the conference. She stated she would register attendees on or before the March 28<sup>th</sup> deadline. Regarding air travel, she said May 1<sup>st</sup> is the deadline under the Midwest Airlines contract to notify the airline who will be using the plane tickets, and she will need to provide names as they appear on government issued identification cards.

Next, Mr. Parrish addressed Agenda Item No. 4e, "KAC Vendor Booth." He reviewed the letter received from KAC about the vendor booths indicating the booths will be open only one day at this year's conference, and that will be Sunday afternoon, Nov. 16<sup>th</sup> in the afternoon and evening. The KWORCC and KCAMP annual meetings likely will be scheduled late in the afternoon on Monday, Nov. 17th.

Vice-President Garrett then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman reported on current marketing activities including presentations to two counties which may join the pool.

Mr. Alexander reported on financial statements he prepared for February 2008. Ms Swartz moved to receive and file the reports as presented. Mr. Unger seconded the motion, which CARRIED unanimously.

Mr. Alexander presented the check register. Ms. Buttron moved to approve check Nos. 12362 through 12418 and the direct debits, all as presented. Mr. Unger seconded the motion, which CARRIED unanimously.

Mr. Parrish then reviewed a spreadsheet showing the value of KWORCC's equity investments as of March 3, 2008. He explained that more detail would be given in the committee report.

A short break was declared in the meeting.

Vice-President Garrett addressed Agenda Item No.7, "Claims Report." Ms. Duncan reported on several claims and answered questions. She also requested approval on a pending settlement of claim # 2007033881. Ms. Buttron moved for approval of the settlement as recommended; Ms. Swartz seconded the motion, which CARRIED unanimously.

Next, Mr. Davis presented an analytical review of KWORCC's claim history for policy years 2006 through 2008. 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.

Vice-President Garrett 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.

Vice-President Garrett addressed Agenda Item No. 9, "Legal Report." Mr. Parrish reported there were no legal matters to review.

Vice-President Garrett addressed Agenda Item No. 10, "Committee Reports." Mr. Unger presented the Investment Committee report. The Investment Committee recommended the adoption of Resolution #2008-17. Mr. Unger moved to adopt the resolution. Ms. Swartz seconded the motion, which CARRIED unanimously. The Investment Committee also recommended continuing the current equity investment strategy, and to review it again in July. Mr. Unger moved to invest \$30,000 per month for the months of April, May and June 2008 and allocate this amount equally by investing \$10,000 each in 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 and that the Investment Committee review

KWORCC's equity investments again immediately prior to the July 2008 meeting. Mr. Wise seconded the motion, which CARRIED unanimously.

Vice-President Garrett next proceeded to Agenda Item No. 11, "Trustee Training: Logicomp Review of Service and Report as of February 29, 2008." Mr. Burrows explained the process Logicomp goes through in reviewing medical bills. Total savings for first two months of 2008 is \$344,978 or 36% off the total billed. Ms. Garrett thanked Mr. Burrows for the informative presentation.

Vice-President Garrett proceeded to Agenda Item No. 12, "Other items." There were no other items to discuss.

There being no further business on the agenda, Ms. Swartz moved to adjourn at 2:58 p.m. Ms. Buttron 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 17<sup>th</sup> day of April 2008.

Mr. Jim Wise, Secretary  
KWORCC Board of Trustees