

MINUTES
KWORCC BOARD OF TRUSTEES
2913 S.W. PLASS COURT
TOPEKA, KANSAS

KWORCC President Bobby Heitschmidt called the KWORCC Board of Trustees meeting to order at 1:35 p.m. on December 6, 1995.

Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Ralph Unger, Decatur County Commissioner
George Schlesener, Dickinson County Commissioner
Carol Slavik, Ottawa County Clerk
Doyle Alcorn, Jewell County Commissioner
Gayle Landoll, Marshall County Clerk
Charles Hutchison, Osage County Commissioner
Linda McHenry, Grant County Clerk

Also present were:

Jeanie Cowan, Administrator, KCAMP/KWORCC
Kent Erwin, Gallagher Woodsmall
Charlene Sayles, Administrative Assistant, KCAMP/KWORCC

Time was given to review the minutes. Ralph Unger moved and Carol Slavik seconded to approve the minutes from the November 15, 1995 meeting. The motion carried.

Jeanie Cowan discussed the financial information and the process to obtain our financials. At present, Gary Stevens with Coopers & Lybrand is still preparing the financial information for the pools.

Jeanie Cowan passed out copies of a letter prepared for Bobby Heitschmidt's signature to close KWORCC's account at Leavenworth National Bank and transfer the monies to the Country Club Bank. Bobby Heitschmidt signed the letter to be sent to LNB and the letter was faxed to the bank to transfer the funds.

Jeanie Cowan suggested having Chris Thompson, Country Club Bank, speak at a board meeting in January regarding the investment of monies in bonds. Mr. Thompson met with Jeanie Cowan and Kent Erwin earlier this week and presented several options in reinvesting monies in a more aggressive manner for a greater return.

Jeanie Cowan asked the Board if they would be interested in hearing a proposal from John Hartman who works in the Trust Department of Bank IV in regard to handling the services currently performed by Country Club Bank.

Ralph Unger suggested Jeanie Cowan have Mr. Hartman prepare the proposal on paper and let the Board review that document. If they find the proposal competitive, at that time, the Board would be interested in hearing the proposal from Mr. Hartman.

Jeanie Cowan reviewed the expenditures with the Board. Carol Slavik moved and Doyle Alcorn seconded to approve and pay the expenditures from check #1280 through check #1323 as reviewed by Jeanie Cowan.

Kent Erwin discussed the status of the excess insurance. All terms of condition will hold as previously held for 1995 with a reduction in price of 5% on the Employers Reinsurance for the 1996 policy year. There has been no response from Safety National Cooperation, however, Mr. Erwin expects a decrease in cost of excess insurance for 1996 by the same percentage. In addition, Mr. Erwin will bind the excess insurance and present the excess insurance coverage for approval at the next board meeting.

Jeanie Cowan discussed the Gallagher Woodsmall fees for 1996 advising the fees were still being negotiated.

Jeanie Cowan advised the Board that last week the medical only claims were received in the Topeka office from Gallagher Woodsmall's Kansas City office. Jeanette Bales and Marilyn Owens have been working to organize the files.

The board took a break at 3:15 p.m. The meeting reconvened at 3:28 p.m.

Jeanie Cowan reviewed the correspondence since the last board meeting.

She further discussed the staff meeting held December 1, 1995. There were several issues discussed at the meeting which were as follows:

1. Christmas party for the staff
2. Pop issue
3. Days off for Holidays
4. Donations to Let's Help

Carol Slavik moved and Linda McHenry seconded the staff receive December 25-26 and one-half day December 29 and January 1 off for the holidays. The motion carried.

Jeanie Cowan mentioned to the Board she will be visiting Jackson County and Bourbon County to bid insurance in the next few weeks. She further mentioned the Ford County meeting in regards to insurance bids went very well. Ford County will be deciding on insurance coverage and contact the pools between Wednesday, December 6 and Monday, December 11.

The KWORCC Board meeting was set for January 11-12, 1996. The meeting will start at 1:30 p.m. on January 11, 1996.

Ralph Unger moved and Gayle Landoll seconded to recess the meeting until 9:00 a.m. on December 7, 1995. The motion carried.

At 9:00 a.m., December 7, 1995, Bobby Heitschmidt advised the Board the time for recess had expired and the KWORCC Board meeting reconvened. Joining the meeting at this time were Carl Eyman and Bill Henry, KCAMP/KWORCC Loss Prevention Representatives, and Jeanette Bales, Gallagher Woodsmall.

Jeanette Bales gave the claims report at 9:05 a.m. Carol Slavik moved and Doyle Alcorn seconded for settlement authority on claim 95/710970MI. The motion carried. Jeanette Bales finished her report at 10:02 a.m. and left the meeting. Her absence was noted for the record.

Jeanie Cowan reviewed a letter received from Pam Meadows, Edwards County Clerk, expressing her thoughts regarding the assistance and appreciation to the KCAMP staff. The Board suggested the pools send the letter from Pam Meadows in a newsletter to the member counties as well as non-member counties.

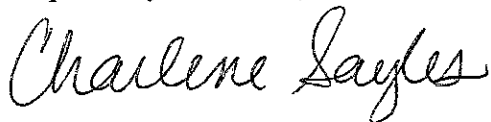
Bill Henry gave the Loss Prevention Report. He reviewed the visits and activities of he and Carl Eyman. He reviewed the county tally for loss prevention visits.

Carl Eyman discussed signage throughout the state of Kansas. He passed out a Kansas Federal Aid Secondary System Project describing the type of government funds available to the counties. Carl Eyman discussed there will be new standards in 1997 for the reflectivity of signs.

Jeanie Cowan advised the Board the loss prevention staff will send a packet of information to the member counties informing them of this assistance.

The meeting adjourned at 10:31 a.m.

Respectfully submitted,



Charlene Sayles
Administrative Assistant

MINUTES
KWORCC BOARD OF TRUSTEES
2913 S.W. PLASS COURT
TOPEKA, KANSAS

Bobby Heitschmidt called the KWORCC Board of Trustees to order at 8:50 a.m. on November 15, 1995.

Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Ralph Unger, Decatur County Commissioner
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner
Gayle Landoll, Marshall County Clerk
Linda McHenry, Grant County Clerk
Carol Slavik, Ottawa County Clerk
Charles Hutchison, Osage County Commissioner

Also present were:

Jeanie Cowan, Director KCAMP/KWORCC
Kent Erwin, Gallagher Woodsmall
Charlene Sayles, KCAMP/KWORCC

Time was given to review the minutes. A correction was noted on page 6, the last paragraph, meeting time was changed from 9:00 a.m. to 8:30 a.m. George Schlesener moved and Ralph Unger seconded to approve the minutes with said amendments. The motion carried.

The Board directed Jeanie Cowan to research the arrangement with Gary Stevens and the handling of Pool financial information.

Kent Erwin reviewed the financials with the Board. Ralph Unger moved and Carol Slavik seconded to accept the financial reports through September 30, 1995. The motion carried.

Jeanie Cowan passed out a confidential draft of the Kansas Insurance Department audit findings. The Board discussed areas of concern and directed Jeanie Cowan to arrange a meeting with the KID to respond to their report.

Jeanie Cowan reviewed the expenditures with the Board. George Schlesener moved and Ralph Unger seconded to approve the expenditures as reviewed. The motion carried.

Jeanie Cowan mentioned the new computer being ordered for the accountant from Gateway would be mailed COD for \$2506.06. George Schlesener moved and Doyle Alcorn seconded giving Jeanie

Cowan authority to furnish a computer and office furniture for the accountant not to exceed \$4000 without Board approval. The motion carried.

Kent Erwin updated the Board on the Excess Insurance. It is currently in the market and will most likely be renewed by the current carriers with a decrease in rates.

Jeanie Cowan mentioned that medical only claims are now being handled in the Topeka office. She mentioned that Gallagher Woodsmall, Inc., has proposed a new contract figure being \$142,000 brokerage fees, \$247,630 KCAMP claims adjusting and \$155,970 KWORCC claims adjusting. This is a reduction of \$63,071, in addition to a \$25,000 fee reduction for both pools combined.

Jeanette Bales joined the meeting at 11:30 a.m. Her presence was noted for the record. The board asked her several questions regarding legal expenses for 1994 compared with 1995.

Carol Slavik moved and George Schlesener seconded settlement authority for Claim No. 94/710381 RN. The motion carried.

Jeanette Bales finished her report at 11:50 a.m. and left the meeting. Her absence was noted for the record.

Linda McHenry moved and Gayle Landoll seconded the Board go into Executive Session at 11:55 a.m. for five minutes to discuss non-elected personnel. The motion carried.

The Board came out of Executive Session at 12:07 p.m.

The Board took a lunch break at 12:10 p.m.

Bruce Woner entered the meeting at 12:45 p.m. His presence was noted for the record.

Bruce Woner gave his report and reviewed the Action List. He finished his report at 1:30 p.m.

Ralph Unger moved and Gayle Landoll seconded the Board adopt the recommendation of the salary committee to increase Jeanie Cowan's salary retroactive to November 1, 1995. The motion carried.

Jeanie Cowan reviewed the correspondence from the counties. She discussed the current situation in Jefferson County regarding the independent insurance agent.

George Schlesener moved and Linda McHenry seconded authority to modify the advance discount plan filed with the Kansas Insurance Department to a fixed advance discount of five percent for all counties and one-half percent advance discount for each one percent the experience modifier is below one, subject to a maximum of ten percent. The motion carried.

Jeanie Cowan finished reviewing the correspondence.

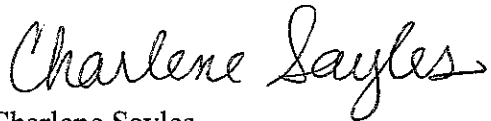
Carol Slavik moved and Gayle Landoll seconded the Board go into Executive Session for five minutes.

The Board came out of Executive Session at 2:20 p.m.

Gayle Landoll moved and Charles Hutchison seconded the meeting be adjourned. The next board meeting is scheduled for December 6-7, 1995. The motion carried.

The KWORCC Board meeting adjourned at 2:35 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Charlene Sayles". The signature is written in black ink and is positioned above the typed name and title.

Charlene Sayles
Administrative Assistant

MINUTES
KWORCC BOARD OF TRUSTEES
2913 S.W. PLASS COURT
TOPEKA, KANSAS

Bobby Heitschmidt called the KWORCC Board of Trustees to order at 1:46 p.m. on October 12, 1995.

Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Ralph Unger, Decatur County Commissioner
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner
Gayle Landoll, Marshall County Clerk
Linda McHenry, Grant County Clerk
Carol Slavik, Ottawa County Clerk
Charles Hutchison, Osage County Clerk

Also present were:

Jeanie Cowan, Director KCAMP/KWORCC
Kent Erwin, Gallagher Woodsmall
Charlene Sayles, KCAMP/KWORCC

Jeanie Cowan reviewed the financial reports. Statement of Revenue and Expenses was reviewed.

Kent Erwin mentioned that these reports are accrual figures versus cash values. It is a forecast of what will be spent and not what has actually been spent.

The Board discussed the various insurance agent bids and the fact they are bidding so close to the pool bid. Kent Erwin explained that several agents bid the insurance on misclassification of payroll dollars. Often times, the agents bid the payroll dollars in lower classification codes to lower the premium quotes for the counties. It was suggested that in taking bids from other independent agents, the county make sure the agent provide description of the payroll dollars and the classification codes the quoted premium is derived, in order to make the comparison.

Jeanie Cowan reviewed the expenditures since the last board meeting. The check register was handed out for the board members to review. The register included check #1189 to check #1217. Jeanie Cowan added several checks after the preparation of the register report. The following checks were added but not printed on the register:

Check #1218	Dillon's	\$ 64.31
Check #1219	Thompson Crawley	\$ 541.95
Check #1220	Consolidated Group	\$ 250.87

Check #1221	Jeanie Cowan	\$ 36.51
Check #1222	Micro Magic	\$ 47.95
Check #1223	Woner Glenn Reeder and Girard	\$ 9,010.23
Check #1224	Stevens County	\$ 4,722.00
Check #1225	Stevens County	\$ 5,990.00
Check #1226	Coopers & Lybrand	\$37,580.95
Check #1227	Coopers & Lybrand	\$56,706.21

Jeanie Cowan reported the need to hire an accountant to handle the financial reporting for the Pools. It is the opinion of Gary Stevens, Coopers & Lybrand auditor, and the Kansas Insurance Department the pools need a part time individual.

Carol Slavik moved and Doyle Alcorn seconded to approve the reviewed checks written. The motion carried.

Bobby Heitschmidt asked why the credit cards were past due. Jeanie Cowan explained that with the payment being approved by the Board members and requiring two signatures, we have not been able to get on cycle with the monthly bills.

Ralph Unger moved and Linda McHenry seconded Jeanie Cowan be given the authority to sign checks for routine monthly expenses incurred in the operating of the office and authorize any Board member to pre-sign payroll checks for Jeanie Cowan even though they may exceed \$500. The motion carried.

Jeanie Cowan reviewed the bill submitted to Gallagher Woodsmall, Inc., in the amount of \$6,213.30, for their share of the expenses incurred in the operating of the office for the months of August, September and October.

Kent Erwin reviewed the KWORCC excess insurance policies. Both excess policies will most likely be renewed with the same carriers. The cost is about \$115,000 for this year. The payroll information from all the counties must be in before we can get the renewal quote for excess insurance.

Kent Erwin explained we have two excess carriers to cover a specific accident after \$300,000 for medical bills and to cover an aggregate insurance. An aggregate excess insurance is required by law, however, we may be able to drop that soon, due to the equity that KWORCC is now building. The attachment point for aggregate insurance is so high chances are we probably will never use this form of excess insurance. Kent Erwin mentioned dropping aggregate excess insurance will need to be approved by the Insurance Department.

Kent Erwin discussed the Loss Cost Multiplier which must be filed by November 1, 1995, with the Kansas Insurance Department for approval. The sole rate making authority for Workers Compensation rates was the NCCI. As part of reform, there was a movement to lower the costs of workers compensation and to make workers compensation more competitive to get more insurance carriers to come into the state. In June, loss costs have been filed versus rates which were previously filed with the state. Theoretically, all expenses incurred in handling a claim are built into the loss

cost multiplier. The process has been slowed down due to the lack of financial information which has not been adequate to develop the loss cost multiplier.

Carol Slavik moved and Gayle Landoll seconded to allow Kent Erwin and Jeanie Cowan to file a loss cost multiplier with the Kansas Insurance Department at their discretion by November 1, 1995, and bring that figure to the next board meeting for approval. The motion carried.

Discussion began over the claims handling out of Kansas City. It has been discussed the medical only claims be moved to the Topeka office. This will lower cost, provide better control and make identifying payment of claims easier and more efficient. The end result of this change should lower the cost of claims handling. The fees for 1996 should be down considerably for the next year. The cost of the claim and the price of the handling of the claims are completely different.

Jeanie Cowan mentioned pools need to redraft their contracts with Gallagher Woodsmall. Linda McHenry moved and Ralph Unger seconded KWORCC provide written notice to Gallagher Woodsmall, Inc. as of December 31, 1995, to terminate the contract in place as it is written. The motion carried.

Bruce Woner entered the meeting at 4:18 p.m. His presence was noted for the record.

Jeanie Cowan reviewed the renewal information for the Board in the packet.

Bruce Woner handed out the minutes from the last board meeting. Time was given to review the minutes.

Doyle Alcorn moved and George Schlesener seconded the Board accept the minutes of the Joint Board meeting of August 30, 1995 and the minutes of the KWORCC Board meeting of August 31, 1995. The motion carried.

Ralph Unger moved and Charles Hutchison seconded that the Board accept the resignation of Wes Holt subsequent to his letter dated August 7, 1995. The motion carried.

Ralph Unger moved and Gayle Landoll seconded that the Board take a five minute break and reconvene in Executive Session for one hour. The motion carried. The Board went into Executive Session at 4:30 p.m.

The board came out of Executive Session at 5:30 p.m.

Ralph Unger moved and Carol Slavik seconded that the Board recess until 9:00 a.m., October 13, 1995. The motion carried.

The Board meeting was recessed at 7:15 p.m.

The KWORCC Board of Trustees meeting reconvened at 9:13 a.m., October 13, 1995. Time for recess had expired.

George Schlesener moved and Charles Hutchison seconded for the KWORCC Board members to meet for five minutes in Executive Session. The motion carried. The Board went into Executive Session at 9:15 a.m.

The Board came out of Executive Session at 9:20 a.m. with no action taken.

The Board began to review the job descriptions for the employees of the pools. Carol Slavik moved and Linda McHenry seconded we accept the three job descriptions as written and job descriptions be reviewed annually. The motion carried.

The Board reviewed the nominations proposed for the annual conference. Ralph Unger, Doyle Alcorn and George Schlesener are up for re-election to the KWORCC Board. There was some confusion on the appointments by the KAC.

Ralph Unger noted Article 6.1 from the Bylaws regarding the composition of the Board. In addition, Article 6.3, regarding the terms of the members to the Board. It was decided the Bylaws were very unclear regarding the election of appointed members.

For clarity, the Board discussed the various appointments of the KAC which were as follows: Linda McHenry, Ralph Unger, Charles Hutchison and Gayle Landoll. Further, Doyle Alcorn was appointed by the Board to fulfill the unexpired term of Wes Moore. It was decided Charles Hutchison be added to the ballot.

Jeanie Cowan suggested that Ralph Unger be the parliamentarian at the general membership meeting scheduled to be held in Hutchinson, Kansas, October 18, 1995.

Ralph Unger also suggested that the KWORCC Board completely go through the bylaw changes with the membership and then vote on these amendments.

Ralph Unger also suggested the amendments be put on separate colored pages.

Ralph Unger suggested if someone challenges, for example, Gayle Landoll's appointment position, Article 10 states that she could not be re-elected, but should be removed from the Board. It will require a motion from the floor from a member voting delegate and a 2/3 majority to remove a board member. It should be done individually for each member of the Board.

It was further mentioned each ballot have the county name and a signature line for the voting delegate. Therefore, it would be an open public record rather than a secret ballot as it has been in the past.

Jeanie Cowan suggested a county packet be put together with the nomination form, ballot form, etc. The voting delegate will be responsible for picking up the packet for each county. The official documents will only be submitted to the county voting delegate. However, bylaw changes and those type of reports would be available to all members present.

It was further mentioned a list be provided with the names of the voting delegates and alternates for the people counting the ballots. Additionally, a sign in sheet be provided for all attendees and a separate sheet for voting delegates. The format for the ballot would have the county name and the signature line for the voting delegate or alternate on the bottom of the ballot.

It was suggested that one member from each board and one member from the audience be selected to count the ballots.

Bobby Heitschmidt questioned whether or not we need any legal advice on these matters.

A pre-meeting has been scheduled to be held at the Apollo Room at the Sun Dome in Hutchison at 11:00 a.m., October 18, 1995.

The suggestion was made the meeting be moved to 10:00 a.m. on October 18 to have more time to for discussion.

Linda McHenry moved and Doyle Alcorn seconded Jeanie Cowan begin looking for a part-time accountant to handle the financials. The motion carried.

Jeanie Cowan has ordered highlighters, coasters, portfolio refill calendars, tote bags and yardsticks to be used as giveaways at the Trade Fair at the KAC Conference to be held in Overland Park, November 12-14, 1995. The total cost being approximately \$1600.

Gayle Landoll moved and George Schlesener seconded the approval of the expenditures for the giveaways at the KAC annual conference. The motion carried.

Gallagher Woodsmall, Inc., has agreed to provide the grand prizes. A floral arrangement and fragrance package for women and a power tool for the men will be provided by Gallagher Woodsmall.

Jeanie Cowan then passed out the budget proposals for the pool. She will provide a similar hand out at the annual membership meeting.

Bobby Heitschmidt suggested the financial information first be discussed at the membership meeting.

Jeanie Cowan suggested George Schlesener handle the budget and Jeanie Cowan handle the administration cost of the pools.

Bobby Heitschmidt suggested various dates for the next board meeting. It was decided to have the next board meeting at 8:30 a.m. on November 15, 1995.

Gayle Landoll left the meeting at 11:15 a.m. Her absence was noted for the record.

Charles Hutchison left the meeting at 11:15 a.m. His absence was noted for the record.

Jeanette Bales and Carl Eyman joined the meeting at 11:20 a.m. Their presence was noted for the record.

Jeanette Bales gave the claims report at 11:25 a.m.

Carol Slavik moved and Linda McHenry seconded settlement authority be given Ms. Bales for Claim No. 94-710451-CE. The motion carried.

Carol Slavik moved and Doyle Alcorn seconded settlement authority be given Ms. Bales for Claim No. 94-710009-MI. The motion carried.

Linda McHenry moved and Carol Slavik seconded settlement authority be given Ms. Bales for Claim No. 94-710577-TO. The motion carried.

Jeanette Bales finished her claims report at 11:50 a.m.

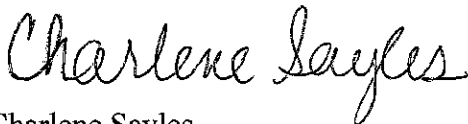
Carl Eyman gave the loss prevention report. Carl Eyman reviewed the activity of he and Bill Henry since the last board meeting. He gave the results of the Safety Incentive Awards. Carl Eyman finished his report at 12:00 p.m.

Ralph Unger contacted Ken Voth from Bruce Woner's office during the claims presentation. He gave a short report of his conversation. He said the attorney said everyone serves to the completion of their term under the old bylaws. The Board will have eight members until the end of next year. Normally, bylaws are not retroactive. The second question was the KAC appointees. The member removal clause mentioned earlier by Ralph Unger in the meeting would be the proper procedure of removing the officer and replacing according to the old bylaws. An election for an unexpired term would be the proper way to fill the removals. Third, the signature line on the ballot would be the best way to vote due to the fact that we are a public entity and subject to the open record act.

Doyle Alcorn moved and George Schlesener seconded the KWORCC Board meeting be adjourned. The motion carried.

The meeting adjourned at 12:14 p.m.

Respectfully submitted,



Charlene Sayles

MINUTES
JOINT MEETING OF KCAMP/KWORCC BOARD OF TRUSTEES
August 30, 1995
ClubHouse Inn, Topeka, Kansas

Dallas Bressler called the KCAMP Board to order at 8:05 a.m.

Board members present:

Dallas Bressler, Morton County Commissioner
George Sprague, Leavenworth County Commissioner
Dale Sutton, Stevens County Commissioner
John Delmont, Cherokee County Commissioner
Kathy Bowman, Pawnee County Commissioner
Rosalie Seemann, Thomas County Clerk

Bobby Heitschmidt called the KWORCC Board to order at 8:08 a.m.

Board members present:

Bobby Heitschmidt, Ellsworth County Commissioner
Doyle Alcorn, Jewell County Commissioner
Ralph Unger, Decatur County Commissioner
Gayle Landoll, Marshall County Clerk
Carol Slavik, Ottawa County Clerk
Charles Hutchison, Osage County Commissioner
George Schlesener, Dickinson County Commissioner

Also present were:

Jeanie Cowan, KCAMP/KWORCC Director
Charlene Sayles, KCAMP/KWORCC Administrative Assistant
Kent Erwin, Gallagher Woodsmall
Bill Bartel, Wichita Eagle
Bruce Woner, Woner, Glenn, Reeder and Girard

The minutes for the past board meetings held by KCAMP and KWORCC were distributed and time was given to review the minutes.

On page 4, KWORCC minutes, the meeting was recessed and not adjourned. On page 5, the dollar amounts for settlement authority need to be deleted. George Schlesener moved and Ralph Unger seconded the approval of the minutes with said amendments. The motion carried.

On page 1-2, KCAMP minutes, the dollar amounts for settlement authority need to be deleted. George Sprague moved and Rosalie Seemann seconded the approval of the minutes with said amendments. The motion carried.

Jeanie Cowan and Bruce Woner described the move from the KAC building on 8th Street to the new KCAMP/KWORCC building on Plass Court. Jeanie Cowan mentioned that the employees moved the equipment and supplies belonging to the pools on Monday evening, July 24, 1995. Bruce Woner described the memo from KAC, over Anne Spiess' signature, regarding the equipment and supplies the KAC sought to keep. Mr. Woner advised as to all facets of the move.

The Asset Schedule for the new building was distributed to all board members. Jeanie Cowan discussed the various purchases.

Rosalie Seemann questioned if the contents were insured. Kent Erwin addressed that question. Technically, the pools need to make a charge against themselves for insurance on the property held in the building. It would be best for the pools to self-insure through KCAMP on the contents of the building.

George Sprague asked if there was a maintenance agreement on the computer equipment. Jeanie Cowan answered there was one in place.

Jeanie Cowan discussed that all furniture was purchased from Thompson-Crawley at below half-price because the furniture was rental returns and floor models.

Jeanie Cowan mentioned that we have hired a janitorial service for \$40/week.

Jeanie Cowan discussed our monies at Country Club Bank. Presently, KCAMP has \$2.2 million and KWORCC has \$4.3 million for a total of \$6.5 million in investments that Country Club is handling for the pools. Chris Thompson, Country Club Bank, provided a printout of exactly where the pools stand on the investments. Interest rate, par value, type of investment, maturity dates, yield etc. are all items included in the report. The pool Boards complimented the detail provided.

Jeanie Cowan further discussed the monies held in our checking accounts at Bank IV.

Gary Stevens, Coopers & Lybrand, arrived at the meeting at 9:00 a.m. He provided financial reports for the pools since the first of the year. KWORCC's Balance Sheets; Statements of Revenues, Expenses and Changes in Members' Fund Balance; and Statement of Revenues and Expenses were provided for the Boards' review. Mr. Stevens reviewed the current year activities. Mr. Stevens suggested that KWORCC investigate the benefit of paying into the Second Injury Fund when in reality, KWORCC would probably not receive any monies back. Mr. Stevens mentioned that 1992 should be just about settled. There will not be any new claims coming, but the ones opened at this time, still need to be settled.

John Delmont asked how long KWORCC would go back on incoming claims from the current year. Kent Erwin suggested that it depends on the nature of the settlement, whether that be a structured settlement, a 500 week settlement, etc.

Gary Stevens took the members through the Statement of Revenues and Expenses line by line to describe the monies and how they are collected or distributed. He moved to the second page of the handout for review. He wrapped up KWORCC's financials with the Balance Sheet.

Bobby Heitschmidt questioned Mr. Stevens on the interest received from Mercantile and Bank IV on the checking accounts at the respective banks. Mr. Heitschmidt further asked about the overdrafts received by the pools and if any of this money is collectable now from Mercantile for mismanagement.

Mr. Stevens answered that the bank is not responsible for any money the pools lost on the payment of overdrafts.

Doyle Alcorn asked if the Members' fund balance is the amount that belongs to the members of the pools. Further, Mr. Alcorn inquired if any of this money be paid back to the members at the end of the year. Mr. Stevens did not believe that any money would be left in regard to the estimation of numbers, claims not yet incurred. However, if money was left, it would be returned to the members as a dividend, only after state approval.

Jeanie Cowan mentioned that a possible full or part-time accountant position be added to the pool staff. Until that time, the pools' financials will be done by Gary Stevens. The Insurance Department has agreed to this arrangement temporarily.

Mr. Stevens moved to the financials for KCAMP. First, he discussed the Statement of Revenues and Expenses. He mentioned the losses of 1992 that have showed up in June of this year. It has hurt the pool a little, but he feels that KCAMP will make up some ground as the year concludes.

Ralph Unger questioned if the rates had been right the first three years would the pools have collected more monies. Mr. Stevens said that would be true.

Rosalie Seemann inquired how shaky the ground is for KCAMP. Mr. Stevens answered that it was something to watch, but that KCAMP should recover. He mentioned that the Insurance Department may want to call a hearing to see what has happened and to review the current situation. Jeanie Cowan mentioned that in light of the pools requesting the audit from Coopers and Lybrand and the other actions taken by the pool Boards, she felt that the Insurance Department would not call a hearing at this time.

Mr. Stevens recommended that the pools consider hiring a full or part-time accountant who understands insurance accounting.

Mr. Stevens concluded his presentation at 10:32 a.m.

Mr. Don Gaskill, Kansas Insurance Department, arrived at the meeting at 10:30 a.m., during the presentation by Gary Stevens.

The Board members and others present in the room introduced themselves to Mr. Gaskill.

The Boards took a short break at 10:38 a.m. The meeting reconvened at 10:57 a.m.

Bruce Woner handed out a Survey to be distributed to the members at the afternoon membership meeting for the Board members to review. He discussed the survey and asked for any recommendations.

It was discussed that the members present might fill out the survey and be allowed to take a blank form home to be considered by the elected officials. Counties not present or without representation will have surveys mailed to them.

Dale Sutton asked how counties not present would be able to respond to the audit. Bruce Woner answered that a copy of the audit would be sent to the counties without representation at the membership meeting.

Doyle Alcorn responded to Jeanie Cowan's statement that she would call people who did not respond. He suggested that she not waste her time doing that if they did not care enough to respond in the first place.

Lee Knight, Coopers & Lybrand, entered the meeting at 11:08 a.m. He began his overview of the audit at 11:10 a.m. Mr. Knight finished his report at 11:38 a.m. Questions were taken from the board members.

Ralph Unger moved and Gayle Landoll seconded that KWORCC go into Executive Session to discuss potential litigation for 20 minutes. The motion passed. Kathy Bowman moved and Dale Sutton seconded that KCAMP go into Executive Session to discuss potential litigation for 20 minutes. The motion passed. The pool Boards then went into Executive Session at 11:45 a.m. The Board came out of Executive Session at 12:05 p.m.

Ralph Unger then moved and Gayle Landoll seconded that KWORCC recess. The motion carried.

Kathy Bowman then moved and Dale Sutton seconded that KCAMP recess. The motion carried.

The Board broke for lunch and for the afternoon membership meeting.

MINUTES
KWORCC BOARD MINUTES
AUGUST 31, 1995
CLUBHOUSE INN, TOPEKA, KANSAS

Bobby Heitschmidt called the meeting to order at 8:55 a.m.

Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Gayle Landoll, Marshall County Clerk
George Schlesener, Dickinson County Commissioner
Charles Hutchison, Osage County Commissioner
Ralph Unger, Decatur County Commissioner
Doyle Alcorn, Jewell County Commissioner
Carol Slavik, Ottawa County Clerk

Also present were:

Jeanie Cowan, Director
Kent Erwin, Gallagher Woodsmall
Cathi Hanson, Gallagher Woodsmall
Jeanette Bales, Gallagher Woodsmall
Carl Eyman, Loss Prevention Representative
Bill Henry, Loss Prevention Representative
Charlene Sayles, Administrative Assistant

Cathi Hanson and Jeanette Bales gave the claims report. Carol Slavik moved and Doyle Alcorn seconded settlement authority in the Kenneth White case. The motion carried.

Ralph Unger mentioned to Cathi Hanson that a comment was made at the membership meeting from August 30, 1995, to make the reports the counties receive from Corporate Systems less expensive.

Cathi Hanson and Jeanette Bales left the meeting at 10:12 a.m. Their absence was noted for the record.

Carl Eyman and Bill Henry gave the loss prevention report. Carl Eyman reviewed the county visits and commissioner's meetings attended. Bill Henry discussed the loss prevention activities they participated in for the past month. Bill Henry discussed the delay there has been on the Poster Safety Subscriptions. Carl Eyman mentioned that the Loss Prevention Manual has been returned to them from Barbara Girard and will be slightly revised. Carl Eyman discussed the KDHR Safety Health Council being held in Wichita in October.

Carl Eyman and Bill Henry left the meeting at 10:43 a.m. Their absence was noted for the record.

The Board discussed possible dates for upcoming meetings. KWORCC agreed to the October 18, 1995, membership meeting in Hutchison at 1:00 p.m. previously discussed by KCAMP in their Board meeting. It was further decided to have the KWORCC Board meeting on October 12-13, 1995, at 12:30 p.m.

Jeanie Cowan mentioned that Brenda Vink from KAC has contacted her to see if the pools wanted to sponsor a break at the KAC Annual Conference. Ms. Vink also asked if the pools wanted a booth and Round Table discussion.

Jeanie Cowan reviewed the checks with the Board members. Checks #1098 through #1164 were discussed and approved. A handout containing information regarding amounts and payees was provided to the Board members.

Ralph Unger moved and Carol Slavik seconded to approve the bills as discussed. The motion carried.

Bobby Heitschmidt mentioned that Linda McHenry had called him prior to the Board meeting and told him she would be unable to attend the Board meetings due to a family emergency. President Heitschmidt excused her from the meetings for the family emergency.

Ralph Unger discussed the major revisions being made in committee to the by-laws.

George Schlesener moved and Charles Hutchison seconded to approve the committee's recommendations for changes to the by-law which will be presented to the membership as a whole at the membership meeting scheduled for October 18, 1995. The motion carried.

Gayle Landoll moved and George Schlesener seconded to adjourn the board meeting until October 12-13, 1995. The motion carried.

MINUTES
JOINT MEETING OF KCAMP/KWORCC BOARD OF TRUSTEES
August 30, 1995
ClubHouse Inn, Topeka, Kansas

Dallas Bressler called the KCAMP Board to order at 8:05 a.m.

Board members present:

Dallas Bressler, Morton County Commissioner
George Sprague, Leavenworth County Commissioner
Dale Sutton, Stevens County Commissioner
John Delmont, Cherokee County Commissioner
Kathy Bowman, Pawnee County Commissioner
Rosalie Seemann, Thomas County Clerk

Bobby Heitschmidt called the KWORCC Board to order at 8:08 a.m.

Board members present:

Bobby Heitschmidt, Ellsworth County Commissioner
Doyle Alcorn, Jewell County Commissioner
Ralph Unger, Decatur County Commissioner
Gayle Landoll, Marshall County Clerk
Carol Slavik, Ottawa County Clerk
Charles Hutchison, Osage County Commissioner
George Schlesener, Dickinson County Commissioner

Also present were:

Jeanie Cowan, KCAMP/KWORCC Director
Charlene Sayles, KCAMP/KWORCC Administrative Assistant
Kent Erwin, Gallagher Woodsmall
Bill Bartel, Wichita Eagle
Bruce Woner, Woner, Glenn, Reeder and Girard

The minutes for the past board meetings held by KCAMP and KWORCC were distributed and time was given to review the minutes.

On page 4, KWORCC minutes, the meeting was recessed and not adjourned. On page 5, the dollar amounts for settlement authority need to be deleted. George Schlesener moved and Ralph Unger seconded the approval of the minutes with said amendments. The motion carried.

On page 1-2, KCAMP minutes, the dollar amounts for settlement authority need to be deleted. George Sprague moved and Rosalie Seemann seconded the approval of the minutes with said amendments. The motion carried.

Jeanie Cowan and Bruce Woner described the move from the KAC building on 8th Street to the new KCAMP/KWORCC building on Plass Court. Jeanie Cowan mentioned that the employees moved the equipment and supplies belonging to the pools on Monday evening, July 24, 1995. Bruce Woner described the memo from KAC, over Anne Spiess' signature, regarding the equipment and supplies the KAC sought to keep. Mr. Woner advised as to all facets of the move.

The Asset Schedule for the new building was distributed to all board members. Jeanie Cowan discussed the various purchases.

Rosalie Seemann questioned if the contents were insured. Kent Erwin addressed that question. Technically, the pools need to make a charge against themselves for insurance on the property held in the building. It would be best for the pools to self-insure through KCAMP on the contents of the building.

George Sprague asked if there was a maintenance agreement on the computer equipment. Jeanie Cowan answered there was one in place.

Jeanie Cowan discussed that all furniture was purchased from Thompson-Crawley at below half-price because the furniture was rental returns and floor models.

Jeanie Cowan mentioned that we have hired a janitorial service for \$40/week.

Jeanie Cowan discussed our monies at Country Club Bank. Presently, KCAMP has \$2.2 million and KWORCC has \$4.3 million for a total of \$6.5 million in investments that Country Club is handling for the pools. Chris Thompson, Country Club Bank, provided a printout of exactly where the pools stand on the investments. Interest rate, par value, type of investment, maturity dates, yield etc. are all items included in the report. The pool Boards complimented the detail provided.

Jeanie Cowan further discussed the monies held in our checking accounts at Bank IV.

Gary Stevens, Coopers & Lybrand, arrived at the meeting at 9:00 a.m. He provided financial reports for the pools since the first of the year. KWORCC's Balance Sheets; Statements of Revenues, Expenses and Changes in Members' Fund Balance; and Statement of Revenues and Expenses were provided for the Boards' review. Mr. Stevens reviewed the current year activities. Mr. Stevens suggested that KWORCC investigate the benefit of paying into the Second Injury Fund when in reality, KWORCC would probably not receive any monies back. Mr. Stevens mentioned that 1992 should be just about settled. There will not be any new claims coming, but the ones opened at this time, still need to be settled.

John Delmont asked how long KWORCC would go back on incoming claims from the current year. Kent Erwin suggested that it depends on the nature of the settlement, whether that be a structured settlement, a 500 week settlement, etc.

Gary Stevens took the members through the Statement of Revenues and Expenses line by line to describe the monies and how they are collected or distributed. He moved to the second page of the handout for review. He wrapped up KWORCC's financials with the Balance Sheet.

Bobby Heitschmidt questioned Mr. Stevens on the interest received from Mercantile and Bank IV on the checking accounts at the respective banks. Mr. Heitschmidt further asked about the overdrafts received by the pools and if any of this money is collectable now from Mercantile for mismanagement. Mr. Stevens answered that the bank is not responsible for any money the pools lost on the payment of overdrafts.

Doyle Alcorn asked if the Members' fund balance is the amount that belongs to the members of the pools. Further, Mr. Alcorn inquired if any of this money be paid back to the members at the end of the year. Mr. Stevens did not believe that any money would be left in regard to the estimation of numbers, claims not yet incurred. However, if money was left, it would be returned to the members as a dividend, only after state approval.

Jeanie Cowan mentioned that a possible full or part-time accountant position be added to the pool staff. Until that time, the pools' financials will be done by Gary Stevens. The Insurance Department has agreed to this arrangement.

Mr. Stevens moved to the financials for KCAMP. First, he discussed the Statement of Revenues and Expenses. He mentioned the losses of 1992 that have showed up in June of this year. It has hurt the pool a little, but he feels that KCAMP will make up some ground as the year concludes.

Ralph Unger questioned if the rates had been right the first three years would the pools have collected more monies. Mr. Stevens said that would be true.

Rosalie Seemann inquired how shaky the ground is for KCAMP. Mr. Stevens answered that it was something to watch, but that KCAMP should recover. He mentioned that the Insurance Department may want to call a hearing to see what has happened and to review the current situation. Jeanie Cowan mentioned that in light of the pools requesting the audit from Coopers and Lybrand and the other actions taken by the pool Boards, she felt that the Insurance Department would not call a hearing at this time.

Mr. Stevens recommended that the pools consider hiring a full or part-time accountant who understands insurance accounting.

Mr. Stevens concluded his presentation at 10:32 a.m.

Mr. Don Gaskill, Kansas Insurance Department, arrived at the meeting at 10:30 a.m., during the presentation by Gary Stevens.

The Board members and others present in the room introduced themselves to Mr. Gaskill.

The Boards took a short break at 10:38 a.m. The meeting reconvened at 10:57 a.m.

Bruce Woner handed out a Survey to be distributed to the members at the afternoon membership meeting for the Board members to review. He discussed the survey and asked for any recommendations.

It was discussed that the members present might fill out the survey and be allowed to take a blank form home to be considered by the elected officials. Counties not present or without representation will have surveys mailed to them.

Dale Sutton asked how counties not present would be able to respond to the audit. Bruce Woner answered that a copy of the audit would be sent to the counties without representation at the membership meeting.

Doyle Alcorn responded to Jeanie Cowan's statement that she would call people who did not respond. He suggested that she not waste her time doing that if they did not care enough to respond in the first place.

Lee Knight, Coopers & Lybrand, entered the meeting at 11:08 a.m. He began his overview of the audit at 11:10 a.m. Mr. Knight finished his report at 11:38 a.m. Questions were taken from the board members.

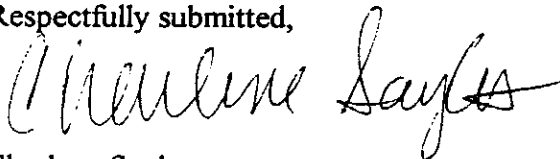
Ralph Unger moved and Gayle Landoll seconded that KWORCC go into Executive Session to discuss potential litigation for 20 minutes. The motion passed. Kathy Bowman moved and Dale Sutton seconded that KCAMP go into Executive Session to discuss potential litigation for 20 minutes. The motion passed. The pool Boards then went into Executive Session at 11:45 a.m. The Board came out of Executive Session at 12:05 p.m.

Ralph Unger then moved and Gayle Landoll seconded that KWORCC recess. The motion carried.

Kathy Bowman then moved and Dale Sutton seconded that KCAMP recess. The motion carried.

The Board broke for lunch and for the afternoon membership meeting.

Respectfully submitted,



Charlene Sayles

MINUTES
KWORCC BOARD MEETING
JULY 20-21, 1995
CLUBHOUSE INN, TOPEKA, KANSAS

Bobby Heitschmidt called the meeting to order at 1:57 p.m.

Board members present:

Bobby Heitschmidt, Ellsworth County Commissioner
Doyle Alcorn, Jewell County Commissioner
Ralph Unger, Decatur County Commissioner
Linda McHenry, Grant County Clerk
Gayle Landoll, Marshall County Clerk
Carol Slavik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Charles Hutchison, Osage County Commissioner

Also present were:

Jeanie Cowan, Director
Kent Erwin, Gallagher-Woodsmall
Bruce Woner, Woner, Glenn, Reeder & Girard
Charlene Sayles, Administrative Assistant

The Board discussed preparing a monthly or quarterly newsletter to inform the pool membership of current happenings.

Kent Erwin suggested that the minutes and financials be sent out monthly for the counties and a separate newsletter quarterly.

Carol Slavik mentioned that a joint report regarding both pools be sent with a brief overview of the minutes and financial information.

Bruce Woner suggested that a packet regarding the meeting in Wichita on Tuesday be sent to the membership as a follow-up to the membership's informational meeting. He asked for feedback regarding the information to be put into the packet.

Kent Erwin discussed the last financial that was received from Coopers & Lybrand. As of December 1994, \$877,633 is the equity for KWORCC for all three years. Unrealized loss on investments is \$135,270. This number will become the value of the investment rather than any loss. He also mentioned two bonds that were sold by Annette Fiedler at the end of last year for an estimated loss amount of \$30,000, \$21,000 on one and \$9,500 on the other. They were not mature and therefore the loss was incurred; however, she did not need to sell the bonds.

The Board discussed various financial information that has been dispersed to the Board members as well as pool members regarding various financial matters.

Jeanie Cowan introduced Mark Ault, Bank IV. Mark Ault discussed the accounts in place at Bank IV. Mr. Ault brought a resolution to the Board for certain individuals to sign in handling the monies in the accounts. Currently, there are two checking accounts, a zero balance account and a joint account, for a total of four accounts. It would be ideal to get this to one checking account, a zero balance account and a joint account. He discussed the resolution that he had drawn up mentioning that the President of the Board, Comptroller and Jeanie Cowan would be signors on the resolution. Mr. Ault then answered questions from the floor.

Carol Slavik moved and Linda McHenry seconded that the three named persons on the resolution were acceptable to the Board. The motion carried.

Mr. Ault left the meeting at 2:40 p.m. His absence was noted for the record.

Bruce Woner discussed that he would drop a note to Mr. Jerry Goodell, attorney for KAC, regarding the financial situation of the KAC and the monies that need to be paid to different organizations, including KCAMP and KWORCC.

Jeanie Cowan related that Marty Hazen had asked her if she has begun to discuss with KAC the repayment of monies owed to the pools. The time has come for the pools to begin this process regarding this matter.

Bruce Woner clarified that the letter he intends to send would not be a demand letter or threat to sue but rather cordial at this time in regard to the repayment of monies.

Jeanie Cowan said the pools need to at least initiate a dialogue regarding the repayment of monies. She stated it would be best to have the attorney handle this situation.

Charles Hutchison questioned if the pools did ask KAC for repayment would KAC go to the counties and assess them for the monies.

Bruce Woner agreed that it could work that way, but not necessarily. What the pools have from KAC is a promise to pay if anything is owed. The pools are not after every penny, but they are looking for some cooperation or a deal of some sort, whether that is payment over five years or partial payment, etc.

Bruce Woner said that the KAC would likely operate its business at some minimal level. One possibility might be for KAC to credit accounts of pool members until they are caught up with the money already out the door to some level.

The board took a short break and reconvened at 3:50 p.m.

Jeanie Cowan reviewed the expenses for KWORCC since the last board meeting and distributed the invoices for review.

Ralph Unger moved and Carol Slavik seconded that KWORCC approve the expenditures as provided by Jeanie Cowan. The motion carried.

Jeanie Cowan gave the lease agreement for 2913 S.W. Plass Court, Topeka, to the Board for review. She confirmed it had been reviewed by Bruce Woner.

Linda McHenry moved and Carol Slavik seconded that KWORCC formalize the agreement for the lease of 2913 S.W. Plass Court, Topeka. The motion carried.

Bobby Heitschmidt executed the lease agreement for the Board.

Jeanie Cowan presented a Computer Systems Estimate prepared by Jeff Hewett of Woner, Glenn, Reeder & Girard.

After discussion, Gayle Landoll moved and Linda McHenry seconded that KWORCC approve the computer proposal dated July 20, 1995. The motion carried.

Jeanie Cowan discussed the furniture that the staff had picked out for furnishing the new building. Most of the furniture is used coming from rentals or floor samples. Ralph Unger moved and Linda McHenry seconded that the Board does what is necessary to purchase furnishings for the new location. The motion carried.

Gayle Landoll moved and Doyle Alcorn seconded that Jeanie Cowan be given authority to lease or purchase a copier and postage meter needed for the new location. The motion carried.

Linda McHenry moved and Ralph Unger seconded that Jeanie Cowan look for any support services needed as to the lease and that such items be reported at a future meeting. The motion carried.

Bruce Woner suggested that in the realm of securing files, his office had done all it could.

The Board discussed the issue of cross over membership. The Board is extremely concerned with the inherent conflict of interest and the conflict created with the bylaws in their current state. The Board wants to address the issue with Mr. Holt as soon as possible. In the event of legal action before the Board has the opportunity to address that issue with Mr. Holt, Mr. Woner or Mr. Heitschmidt will ask for his resignation. George Schlesener moved and Linda McHenry seconded that the above issue be addressed as discussed and that the conflict be resolved. The motion carried.

A discussion took place as to whether the KWORCC Board wanted to have a booth at the annual KAC conference. All generally wanted a booth, but did not want to participate in the conference

itself.

Linda McHenry moved and Ralph Unger seconded that the meeting be adjourned until 8:30 a.m., Friday, July 21, 1995. The motion carried.

MINUTES
KWORCC BOARD MEETING
JULY 20-21, 1995
CLUBHOUSE INN, TOPEKA, KANSAS

The meeting reconvened on Friday, July 21, 1995. Bobby Heitschmidt called the meeting to order at 8:42 a.m.

Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Doyle Alcorn, Jewell County Commissioner
Linda McHenry, Grant County Clerk
Charles Hutchison, Osage County Commissioner
George Schlesener, Dickinson County Commissioner
Ralph Unger, Decatur County Commissioner
Gayle Landoll, Marshall County Clerk
Carol Slavik, Ottawa County Clerk

Others present were:

Jeanie Cowan, Director
Kent Erwin, Gallagher Woodsmall
Jeanette Bales, Gallagher Woodsmall
Cathy Hanson, Gallagher Woodsmall
Carl Eyman, KCAMP/KWORCC
Bill Henry, KCAMP/KWORCC
Charlene Sayles, KCAMP/KWORCC
Bruce Woner, Woner, Glenn, Reeder & Girard

Jeanette Bales and Cathy Hanson presented the claims report.

Carol Slavik moved and Gayle Landoll seconded for settlement authority up to the maximum amount of \$28,600.00 in the Ed Koon case. The motion carried.

Carol Slavik moved and Linda McHenry seconded for settlement authority up to the maximum amount of \$39,800.00 in the Thelma Janssen case. The motion carried.

Jeanette Bales and Cathy Hanson finished their claims report at 9:25 a.m. Ms. Bales and Ms. Hanson left the meeting after their report was completed. Their absence was noted for the record.

Carl Eyman and Bill Henry brought the loss prevention report.

Bill Henry discussed the various counties visited and meetings attended by the representatives since the last board meeting.

Carl Eyman discussed their visit with Bourbon County and the situation with the lake. He further discussed Cloud County's efforts to train all the county employees in CPR.

Bill Henry discussed the KWORCC Loss Prevention Manual being prepared for the county members. It is currently with Barbara Girard being reviewed for legal corrections and revisions.

The Board took a short break and reconvened at 10:00 a.m. Bill Henry and Carl Eyman left the meeting during the break. Their absence was noted for the record.

Time was given to review the minutes.

Corrections to the minutes were taken by Bruce Woner.

Carol Slavik moved and Gayle Landoll seconded that the Board accept the minutes of June 15, June 16 and June 29 with the corrections reviewed and noted by Mr. Woner. The motion carried.

Jeanie Cowan moved to the revision of the By-Laws. The following locations were cited for potential changes:

- Front Page, item five
- Page two, article 2.2
- Page two, article 4.4
- Page three, article 5.1
- Page three, article 6.1
- Page three, article 6.1.a
- Page three, article 6.1.b
- Page four, article 6.4.d
- Page five, article 8.2.f
- Page seven, article 8.3.g
- Page seven, article 8.4
- Page eight, article 10.2
- Page eight, article 10.3
- Page eight, article 11.1.a
- Page eight, article 11.1.b
- Page nine, article 12.1
- Page ten, article 13.1
- Page ten, article 13.2
- Page fourteen, article 17

The Board then discussed the nonpayment by Comanche County. If the check for premium 1995 is not paid by the end of the month, it is understood that needed action will be taken to ensure the

payment of this overextended premium.

The Board finished discussion on the revisions at 11:45 a.m. By consensus, the board expects to see a lined copy of the resolution of the proposed changes.

The Board discussed having the next Board meeting on August 23 and 24, 1995 to review the final audit from Coopers and the audit prepared by The KID. This meeting will be open to all member counties of the pool. Then the Board discussed holding a Special Meeting or Annual Meeting for September 22, 1995, to vote on changes to the bylaws. This meeting will be held in Hutchison.

Ralph Unger moved that the meeting be adjourned at approximately noon and Charles Hutchinson seconded the motion. The motion carried and the meeting was adjourned.

MINUTES
KWORCC BOARD OF TRUSTEES
Special Meeting by Telephone Conference
June 29, 1995

The KWORCC Board of Trustees convened a special meeting by telephone conference. The meeting was called to order by President, Bobby Heitschmidt at approximately 7:30 a.m. Those participating were

Wes Holt, Pottawatomie County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
Gayle Landoll, Marshall County Clerk
Ralph Unger, Decatur County Commissioner
Carol Slavik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner
Charles Hutchison, Osage County Commissioner

Linda McHenry absence was previously excused by the Board President.

Also participating were:

Jeanie Cowan, KWORCC Pool Manager
Kent Erwin, Gallagher Woodsmall
Bruce Woner, Woner, Glenn, Reeder & Girard
Michelle Roberts, Woner, Glenn, Reeder & Girard

Bobby Heitschmidt advised that the Kansas Insurance Department (KID) has raised a number of questions and issues of concern, and does not like the rent agreement with KAC. Bobby Heitschmidt reported that Linda McHenry advised that she had been advised by her county attorney that if the Board didn't continue their action, she was advised to resign from the Board. She commented this has to be completed and do what the insurance commission expects. Ralph Unger advised he had talked to his county attorney last night, and got the same response. Ralph Unger was told the Board had to continue the straight line course and see it through to completion.

Heitschmidt confirmed that the Board needed to do what the Insurance Commission expects. Inquiry was made as to whether the KID had put their requests in writing. Jeanie Cowan said all of it so far has been conveyed through verbal meetings, but that the KID probably would not have a problem putting it in writing. Mr. Don Gaskill, the Chief Financial Surveillance Officer of the KID, has suggested bringing each Trustee into his office or collectively as a Board to

address the "corrective action plan" that he believes needs to be undertaken by the Board. Mr. Gaskill said that the sooner the process is started with good common sense and good judgment, we could expect KID to continue to work with us. Considerable discussion followed over nearly two hours over the correct business judgments to apply.

The KWORCC Board of Trustees then acted as follows:

1. That in light of the KID response to the joint proposal of June 1, 1995, that KWORCC give KAC thirty days notice to vacate our tenancy as of July 31, 1995.
2. That beginning July 7, 1995 (in an effort to allow KCAMP to consider this action), KWORCC secure quarters from Executive Park Limited at 2913 Plass Court, effective August 1, 1995, for a term of three years.
3. That KWORCC immediately prepare a corrective plan of action to be presented to KID and its membership as soon as possible.
4. That KWORCC authorize the hiring of Ed Van Petten on an as-needed basis.

Meeting adjourned at 9:34 a.m.

MINUTES
KWORCC BOARD OF TRUSTEES
Telephone Conference
June 29, 1995

The KWORCC Board of Trustees convened a special meeting by telephone conference. The meeting was called to order by President, Bobby Heitschmidt at approximately 7:30 a.m. Those participating were

Wes Holt, Pottawatomie County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
Gayle Landoll, Grant County Clerk
Ralph Unger, Decatur County Commissioner
Carol Salvik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner
Charles Hutchison, Osage County Commissioner

Also participating were:

Jeanie Cowan, KWORCC Pool Manager
Kent Erwin, GW
Bruce Woner, Woner, Glenn, Reeder & Girard
Michelle Roberts, Woner, Glenn, Reeder & Girard

has raised a no of issues

Bobby Heitschmidt advised that the Kansas Insurance Department (KID) does not like the deal with KAC the rent agreement.

Linda McHenry advised that she had been advised by her county attorney that if the Board didn't continue their action, she was advised to resign from the Board. She commented this has to be completed and do what the insurance commission expects. Ralph Unger advised he had talked to his county attorney last night, and got the same response. Ralph Unger was told the Board had to continue the straight line course and see it through to completion.

Heitschmidt confirmed that the Board needed to do what the Insurance Commission expects. Inquiry was made as to whether the KID had put their requests in writing. Jeanie Cowan said all of it so far has been conveyed through verbal meetings, but that the KID would not have a problem putting it in writing. Mr. Don Gaskill, the Chief Financial Surveillance Officer of the KID, is contemplating bringing each Trustee into his office or collectively as a Board to address the "corrective action plan" that he believes needs to be undertaken by the Board. Mr. Gaskill said that the sooner the process is started with good common sense and good judgement, we

could expect KID to continue to work with us ~~and not shut the operation down~~. Considerable discussion followed over nearly two hours.

The KWORCC Board of Trustees then acted as follows:

1. That in light of the KID response to it's joint proposal of June 1, 1995, that KWORCC give KAC thirty days notice to vacate our tenancy as of July 31, 1995.
2. That beginning July 7, 1995 (in an effort to allow KCAMP to consider this action), KWORCC secure quarters from Executive Park Limited at 2913 Plass Court, effective August 1, 1995, for a term of three years.
3. That KWORCC immediately prepare a corrective plan of action to be presented to KID and its membership as soon as possible.
4. That KWORCC authorize the hiring of Ed Van Petten on an as-needed basis.

Meeting adjourned at 9:34 a.m.

Respectfully submitted,
Woner, Glenn, Reeder & Girard

**MINUTES OF A REGULAR MEETING
KWORCC BOARD OF TRUSTEES
Club House Inn, Topeka, Kansas
June 16, 1995**

The KWORCC Board reconvened on June 16, 1995. President Bobby Heitschmidt called the meeting to order at 8:40 a.m.

Board members present:

Bobby Heitschmidt, Ellsworth County Commissioner
Ralph Unger, Decatur County Commissioner
Carol Slavik, Ottawa County Clerk
Linda McHenry, Grant County Clerk
Gayle Landoll, Marshall County Clerk
Charles Hutchison, Osage County Commissioner
George Schlesener, Dickinson County Commissioner

Also present were:

Kent Erwin, Gallagher Woodsmall
Jeanette Bales, Gallagher Woodsmall
Cathy Hanson, Gallagher Woodsmall
Carl Eyman, Loss Prevention Representative
Bill Henry, Loss Prevention Representative
Jeanie Cowan, Director of Risk Management Services
Charlene Sayles, KWORCC Administrative Assistant
Bruce Woner, Woner, Glenn, Reeder & Girard

Jeanette Bales and Cathy Hanson brought the claims report.

Bobby Heitschmidt asked the representatives from Gallagher Woodsmall if the Board could get a printout of the new claims that come in from board meeting to board meeting including all types of claims; lost time, medical, etc.

Jeanie Cowan would like to get an idea of how much money is spent on legal fees from month to month if possible. She also mentioned an aggregate summary report for the claims. In addition, the claims that were closed from month to month.

Bill Henry and Carl Eyman gave the loss prevention report. Bill went over the National Safety Poster Subscriptions.

Carol Slavik asked if her county could add two subscriptions.

Bill Henry said he would call that in today. He said the posters should be ready in about five weeks.

Carol Slavik moved and Ralph Unger seconded that the KWORCC Board contribute half the cost of the subscriptions up to three subscriptions. The motion carried.

Bill Henry talked about the pool Safety Video Library list that has been updated. Several videos have been added to the list.

Carl Eyman added that in the budget last year, \$6000 was included for the pools' video library. However, that amount has been cut to \$1500.

Carl Eyman discussed the Loss Control Manual that KWORCC is preparing for the county members.

Charles Hutchison mentioned that one thing to stress to the counties is the signing in the counties, especially in the work zones.

Ralph Unger asked about the various videos and whether they address natural hazards that occur.

Carl Eyman reviewed the activity of the loss prevention representatives since the last board meeting.

Bill Henry and Carl Eyman completed their report at 9:45 a.m.

The board recessed for five minutes. Cathy Hanson, Jeanette Bales, Carl Eyman and Bill Henry left the meeting. Their absence was noted for the record.

Barbara Girard came to present information on personnel and employment issues.

Gayle Landoll moved and Charles Hutchison seconded that the Board enter Executive Session to discuss personnel issues for two hours at 10:00 a.m. The motion carried. Charlene Sayles left the room. Her absence was noted for the record.

The Board came out of Executive Session at approximately 12:00 p.m. Barbara Girard left the meeting. Her absence was noted for the record.

The Board began discussion on correspondence from the various counties. The letter received from Pottawatomie County was acknowledged by the Board. Wes Holt was not present to discuss the letter, however, it was placed on the agenda and the Board members did read the letter.

Ralph Unger moved and Carol Slavik seconded that the Board authorize Bobby Heitschmidt and Jeanie Cowan to sign the Agreement with Country Club Bank. The motion carried.

The third page of the Agreement with Country Club needs to be changed to Jeanie Cowan, Director of Pooling and Risk Management.

Jeanie Cowan began discussion regarding the Independent Insurance Agents in Topeka. Information contained in the packet will be going in their weekly newsletter.

Jeanie Cowan addressed the issue of alcohol and spouses.

Carol Slavik moved and Ralph Unger seconded that KWORCC will not pay for alcohol or for spouses/guests at any meal. The motion carried.

Jeanie Cowan addressed E & O coverage for herself. She is currently covered under D & O coverage, however, this is not specifically for her. She needs to get coverage separate for any necessary insurance conducive to her position and the job description therein.

George Schlesener moved and Carol Slavik seconded that Kent Erwin and Jeanie Cowan investigate finding coverage separate from the D & O coverage and specific to the Administrator's position. The motion carried.

Jeanie Cowan addressed several bills received from KAC. The invoices relate to various dinners on charge cards, PRIMA conference, County Clerk's meetings, advertisement in newsletters, etc. Jeanie Cowan did not write checks for these invoices due to the fact that this may have been covered in administrative costs already paid by the KWORCC.

Bruce Woner clarified for the Board's information that he believed the invoices should have been covered under the old Administrative Agreement between the pools and KAC. Gayle Landoll asked if we need to address this issue with the KAC. Bruce Woner said that is the right idea. The Board discussed this issue and it was decided that it would be best if Bruce Woner responded through KAC's attorney, Gerald Goodell.

Jeanie Cowan then discussed the Expense Reports of Bill Henry and Carl Eyman. The Board commented as to the frugality of the four employees of the pools.

Jeanie Cowan then moved that we discuss possible dates for the next meetings coming up, the special meeting with the membership and the next KWORCC Board meeting.

Jeanie Cowan moved to the PRIMA conference she recently attended. It was a very good meeting and gave her the opportunity to meet with various other individuals in similar positions. It also allowed her the opportunity to develop a network of helpful contacts throughout the nation. She also mentioned the upcoming meetings available through PRIMA. She mentioned Bobby Heitschmidt's attendance at the Lake Tahoe meeting. Bobby Heitschmidt discussed the excellent opportunity it gave him to learn more about the pools and their establishment. Furthermore, Jeanie Cowan mentioned that it may be feasible to take another Board member from KCAMP and one from KWORCC to another meeting held by PRIMA. The Board thought

it was very important that Jeanie Cowan attend these meetings for the information as well as the networking opportunity.

Jeanie Cowan discussed the meeting coming up in August. In the event that the pools are in the middle of some crisis event, she will not go.

Ralph Unger suggested that the pools try to send a minimum of two trustees to each meeting directed to address trustees sponsored by PRIMA. It was addressed that the education process available by PRIMA is very important. It would be ideal to provide trustees with information and education for new individuals appointed to Boards at the Board's expense. PRIMA provides excellent information in hand-outs, packets and three ring binders for reference and education that are also an added benefit of attending the meetings.

The Board discussed having the next Board meeting on July 20 and July 21, 1995. The Board also moved the August meeting to August 17 and August 18, 1995.

The Board discussed having a joint meeting for the county membership. Bobby Heitschmidt questioned whether counsel for the pools could prepare a notice for the membership to include the upcoming completion of the pending audits. Bobby Heitschmidt suggested that Coopers & Lybrand present the audit information at the joint meeting due to the fact they prepared the reports.

Bruce Woner agreed that it would be best if the people who prepared the audits, also present the audits to the pool membership.

According to the By-laws, if the membership is going to be changing anything contained in the by-laws, the member counties need to have a 30 day notice with the amendments to the By-laws included in the notice. If it is going to be a meeting informing the membership, 15 day notice is all that is required.

The Board discussed that it would be best, due to the nature of the report from the auditors, that the counties just receive the information.

Bruce Woner discussed that if the membership strongly opposes having its meeting at the annual KAC conference, the pools can legally decide to have their own annual meeting time.

It was decided to tentatively set a special membership meeting centrally in the state, such as Salina or Hutchinson, and toward the end of August in the afternoon, perhaps 1:00 p.m., on a Wednesday.

Ralph Unger suggested that the KWORCC Board through Bobby Heitschmidt and the KCAMP board jointly call a special meeting upon the completion of the audit.

George Schlesener moved and Ralph Unger seconded that the meeting adjourn at 1:20 p.m. The motion carried.

MINUTES
KWORCC BOARD OF TRUSTEES
Club House Inn, Topeka, Kansas
June 15, 1995

The KWORCC Board of Trustees met on June 15, 1995. Bobby Heitschmidt called the meeting to order at 1:34 p.m.

Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Ralph Unger, Decatur County Commissioner
Carol Slavik, Ottawa County Clerk
Linda McHenry, Grant County Clerk
Gayle Landoll, Marshall County Clerk
George Schlesener, Dickinson County Commissioner
Charles Hutchison, Osage County Commissioner

Also present were:

Margaret Gatewood, Kansas Insurance Department
Marty Hazen, Kansas Insurance Department
Lee Knight, Coopers & Lybrand
Kent Erwin, Gallagher Woodsmall
Jeanie Cowan, KCAMP/KWORCC
Bruce Woner, Woner, Glenn, Reeder & Girard
Charlene Sayles, KCAMP/KWORCC

Jeanie Cowan introduced Marty Hazen and Margaret Gatewood from the Kansas Insurance Department to the Board.

The Board members introduced themselves to the Insurance representatives.

Ms. Gatewood provided the Board with her background in the insurance field. She ensured the members that she understood what their responsibilities were to the member counties. She relayed that they would be at the Board's ^{Beck and} beacon call for anything they needed in this situation. She took questions from the various members.

Carol Slavik asked if they could provide information on what the department has done so far.

Ms. Gatewood told the Board that two examiners are on site doing a financial audit. The information is confidential until the audit is completed and no information is available to anyone until that time. The information will not be released until the members have had an opportunity to view the results of the audit.

Charles Hutchison asked if anything has been uncovered at this time that might be considered prosecutable.

Ms. Gatewood answered that the Insurance Department only has jurisdiction over the pools, not the KAC. She said there was probably no activity involving the pools, however, referred the answer to that question to the Attorney General.

Jeanie Cowan asked if the Insurance Department was still considering conducting a market conduct survey on either of the pools.

Ms. Gatewood responded that there has been no more talk about a market conduct survey for either pool and furthermore, the market conduct survey may not be necessary with the review that is currently in progress.

Bruce Woner referred to the Insurance Department's sensitivity and special attention to actual expenditures and costs of administration to be sure that all costs reflect the most value for the taxpayer's dollar, as relates to the administrative agreement between the three Boards.

Ms. Gatewood assured the Board that with tax dollars it is very important that you get the best value from those monies. Furthermore, she had seen the June 1 agreement and thought it creative.

Bobby Heitschmidt asked if the square footage was too high for the pools.

Ms. Gatewood said she could not answer that question.

Bruce Woner said he and the Boards were the ones to answer that and yes it was too high.

Ms. Gatewood further replied that the Board needs to make its own business decisions and be very prudent with tax dollars. She also stated that the Boards are the best people for that job being the members perform those types of business procedures on a daily basis in their respective positions with the counties.

Carol Slavik asked if the Insurance Department has received any calls regarding the stability of the pools from the county members.

Marty Hazen responded that he was very surprised at the lack of calls to his office. He thought perhaps it was the lack of media attention in this area. Marty Hazen has had only one call in the last three weeks.

Ralph Unger felt the Board was well represented in the media he had seen, perhaps a little slighted but for the most part very good.

Margaret Gatewood and Marty Hazen left the meeting at 1:52 p.m. Their absence was noted for the record.

Bobby Heitschmidt introduced Lee Knight. Lee Knight reported on the status of the ongoing audit.

Lee Knight completed his report at 2:35 p.m. and left the meeting. His absence was noted for the record.

The Board took a break at 2:37 p.m and reconvened at 2:50 p.m.

George Schlesener moved and Carol Slavik seconded that the Board go into Executive Session for 30 minutes. The motion carried. Charlene Sayles left the board meeting for executive session. Her absence was noted for the record.

The Board went into Executive Session at 3:00 p.m.

The Board came out of Executive Session at 3:55 p.m.

Bruce Woner asked the group for any questions regarding the proposal approved by the KAC and KCAMP boards of June 1. He stated the KCAMP Board blessed this proposal. However, he explained at the June 1, 1995, meeting with the Board presidents, Bobby Heitschmidt, Dallas Bressler and Dudley Feuerborn as well as Gerald Goodell and Bruce Woner, they were under the impression that the KAC Board would be doing something about the over staffing at KAC by immediately reducing staff. There has not been a single staff reduction at this time.

Bobby Heitschmidt reiterated that this proposal was brought to the Pools by Gerald Goodell and Dudley Feuerborn.

Bruce Woner suggested that the KWORCC Board should vote to pay KAC for the April and May figures in the proposal. He voiced that the Board should approve the joint proposal of June 1, 1995, and be sure all parties understand that the pools are under the jurisdiction of the Kansas Insurance Department and will act according to the decision of the Kansas Insurance Department after they have had the opportunity to review the joint agreement.

Linda McHenry moved and George Schlesener seconded the KWORCC Board approve the joint proposal of June 1, 1995, with special emphasis placed on the express conditions that it be approved by the Kansas Insurance Department and that the KAC President be reminded of his pledge as to the KAC staff. After discussion, the motion carried.

Ralph Unger moved and Carol Slavik seconded the KWORCC Board pay KAC \$16,054.40 for staff and \$7,125 for April and May rent. The motion carried.

Gayle Landoll moved and Ralph Unger seconded that the five page rental agreement proposed by

the KAC be not approved and that our counsel waste no time or effort in negotiating upon that or any similar document. After discussion, the motion carried.

George Schlesener moved and Carol Slavik seconded that President Bobby Heitschmidt immediately initiate a dialogue with KAC President Dudley Feuerborn as to development of the KAC plan for repayment of KWORCC of those monies that have been taken without authorization since inception. The motion carried.

Ralph Unger moved and George Schlesener seconded that our Administrator prepare and send a letter over President Bobby Heitschmidt's signature of appreciation and thanks to the Kansas Insurance Department for their recent help and counsel and for their continuing help, counsel and support. The motion carried.

Linda McHenry moved and George Schlesener seconded that our Administrator prepare a budget (in consultation with out finance committee) for the balance of 1995. The motion carried.

George Schlesener moved and Charles Hutchison seconded that the Pool Administrator immediately prepare a contingency plan for relocation (by August 1, 1995 to October 1, 1995) of the Pool offices to a more cost effective and customer friendly environment.

Ralph Unger moved and Carol Slavik seconded that the Board authorize Bobby Heitschmidt to appoint a committee of three people to aid our Administrator in development of the contingency plan to relocate. By consensus the Board agreed that it wanted to include the KCAMP Board on this as a joint venture with the two Boards. The motion carried.

By consensus the Board requested the Administrator to contact other pools in our region with comparative experience to elicit input as to their experience that may be relative to our current situation and future plans.

George Schlesener moved and Gayle Landoll seconded that Counsel secure by any and all means necessary all KWORCC files or complete copies of all KWORCC files (including but not limited to administrative, employee, financial, legal, operating, etc.) The motion carried.

Carol Slavik moved and Linda McHenry seconded that the Administrator, together with Counsel and our Auditors, determine all items of personal property paid for by KWORCC and KCAMP. The motion carried.

Bruce Woner asked to be excused at 4:48 p.m. His absence was noted for the record.

Ralph Unger moved and George Schlesener seconded that a joint administrative account for payment of pool expenses be established in conjunction with KCAMP and that direct pay bank cards be authorized for employees as necessary, with payment to be made from the joint administrative account and duplicate statements to be forwarded to all concerned. The motion carried.

The pools secured and delivered to counsel all KAC related credit cards.

Time was given to review the minutes from the joint board meeting and KWORCC board meeting of the prior month.

The following corrections need to be made:

Page 1, Gayle Landoll is the Marshall County Clerk rather than Grant County Clerk. Page 1, Carol Slavik should be Carol Slavik. Page 2, the Board went into Executive Session at 12:35 p.m. and came out of Executive session at 12:40 p.m. Page 3, second line should be George Schlesener and not George Sprague. Page 11, Gayle Landoll is the Marshall County Clerk rather than Grant County Clerk. Page 14, Gayle Landoll is the Marshall County Clerk rather than the Grant County Clerk. Kent Erwin and Charlene Sayles were also present at the Friday Board meeting.

Carol Slavik moved and George Schlesener seconded the Board approve the May 4, 1995, minutes in conjunction with KCAMP with the above corrections. The motion carried.

Jeanie Cowan took the Board through the approval process for payment of the various invoices and expenses. Jeanie Cowan explained the procedure of sorting through the invoices. The board suggested that we make a computer printout of the invoices. However, Jeanie Cowan recommended with the situation we are in, she would prefer that everyone see the actual invoices.

The following checks were submitted for payment:

Check #1001	VOID
Check #1002	The Phone Connection
Check #1003	Krause's Gourmet To Go
Check #1004	Equifax
Check #1005	National Safety Council
Check #1006	Stevenson Publishing
Check #1007	Division of Workers Compensation
Check #1008	Wes Holt
Check #1009	Doyle Alcorn
Check #1010	Doyle Alcorn
Check #1011	Bobby Heitschmidt
Check #1012	Linda McHenry
Check #1013	Charlene Sayles
Check #1014	Safety and Health Council of Western MO and KS
Check #1015	Club House Inn
Check #1016	Gallagher Woodsmall
Check #1017	Gallagher Woodsmall
Check #1018	Gallagher Woodsmall
Check #1019	Kansas Insurance Department

Check #1020	Kansas Insurance Department
Check #1021	Coopers & Lybrand
Check #1022	Ralph Unger
Check #1023	Carol Slavik
Check #1024	Charles Hutchison
Check #1025	George Schlesener
Check #1026	Gayle Landoll
Check #1027	Carl Eyman
Check #1028	William Henry
Check #1029	Charlene Sayles
Check #1030	Woner, Glenn, Reeder & Girard
Check #1031	Jeanie Cowan

Ralph Unger moved and Charles Hutchison seconded that George Sprague and Bobby Heitschmidt sign the checks #1001 through #1031. The motion carried. The Board broke at 5:30 p.m and reconvened at 5:58 p.m.

Bobby Heitschmidt began discussion on the Lyon County correspondence in the Board packets.

Jeanie Cowan discussed a commissioner's meeting she had gone to in Lyon County regarding the administration fee. Jeanie Cowan relayed further correspondence between the county and herself and stated she had not had an opportunity to research getting this higher level of deductible for their county. She stated that the Insurance Department would probably not allow the pools to make any changes in the policy at this time considering the situation the pools are experiencing. She reiterated that they had questioned the administration fee, but that they were not unhappy with the service or the coverage they are receiving.

The Board discussed the situation of signing checks for payroll, including having Jeanie Cowan as a signator for the payroll checks. It also discussed having Charles Hutchison or George Schlesener come to sign the checks. Further discussed signing checks now and post dating them for payroll later.

Jeanie Cowan also discussed that Barbara Girard would be here tomorrow at 10:00 a.m. to discuss employment policies, salaries, etc. She will discuss how to make the transition and make sure we are doing things right. Ms. Girard has gone through a similar situation and this is her specialty of the law. Ralph Unger asked if we have been set up as a KPERS agent. Jeanie Cowan informed Ralph Unger that Barbara Girard would touch on that tomorrow.

Bobby Heitschmidt advised the Board that we should carry on as we have concerning employee benefits. It is not the fault of any employees in regard to the current situation, therefore, the employees should not suffer due to that issue.

Jeanie Cowan mentioned that we have previously explored the pools classification in regard to the government. The pools are indeed an entity of or an arm of government as well as being funded

by tax monies.

Jeanie Cowan believed the employee's anniversary date should remain the same, sick leave should be rolled over and annual leave needs to be repaid since the pools have already paid KAC for that leave.

Ralph Unger moved and Linda McHenry seconded that KWORCC pay the salaries and related routine expenses from their account and KCAMP reimburse KWORCC for half that amount. The motion carried.

Jeanie Cowan indicated that there has been no financial statements since the beginning of the year. She stated that we need to get this information to the Board as soon as possible. Gary Stevens, the auditor from Coopers & Lybrand, on a short term basis will get us caught up with the bank reconciliations and help us prepare financials. She stated that Gary Stevens had referred Dorothy Pope who contracts out her services to two other pools. He was going to talk with Ms. Pope to see if she would be interested in handling the financials.

By the next board meeting, Jeanie Cowan should have some more information on financials and exploring options. She felt the pool's staff could handle the day to day expenses. She asked if the Board had any ideas on that issue.

Ralph Unger felt that we should farm out the work concerning financials. He felt it would be cheaper for us to find someone to contract to rather than hire someone part- or full-time.

Jeanie Cowan agreed with that observation and stated that she wanted someone who understood insurance accounting. The pools cannot afford to make any mistakes regarding this situation.

Jeanie Cowan took the Board through the Board packets.

Ralph Unger felt that the pools should get an express answer to the question of crossover Board membership.

George Schlesener questioned if it is appropriate to ask someone to attend or exit an executive session. It was agreed by the Board members that it was indeed legal to ask a member to be asked to not attend an Executive Session and that procedure be noted in the minutes.

Discussion moved to the information requested by the Kansas Insurance Department. Jeanie Cowan showed the Board the various information she is working on providing for the department.

Jeanie Cowan discussed the Ford County letter regarding leaving the pool. It was directly related to the annual meeting in November regarding various financial concerns.

The Board discussed the budgets for the next year and getting some sort of information to the counties regarding what the increase/decrease/no change there is going to be in the insurance

premiums. With the various players taken into account, such as renting cheaper office space, it was difficult to project.

The Board discussed that the counties have received a lot of misinformation. KAC staff has been giving the KAC Board a lot of misinformation. They continued to discuss all the different stories that are circulating about the situation with the pools and KAC.

Charles Hutchison moved and George Schlesener seconded that the Board recess until Friday, June 16, 1995 at 8:30 a.m.

Respectfully submitted,
Charlene Sayles

KWORCC BOARD OF TRUSTEES
MAY 4 AND 5, 1995
CLUB HOUSE INN, TOPEKA, KANSAS

- I. 11:00 a.m. Call to order - Bobby Heitschmidt, President
- II. Larry Morris and Lee Knight, Coopers and Lybrand
Bruce Woner, Attorney

Report on Audit and Legal Issues
- III. Receipt and approval of reports
 - A. Minutes March 30 and 31, 1995 meeting
 - B. KWORCC Financial Report
 - C. Approval of Expenditures
 - D. Suggested Expense Report Revision
- IV. Administrative Report
- V. Recess - Move meeting recess until 9:00 a.m. May 5, 1995
- VI. Claims Report - Claims over \$10,000
- VII. Loss Prevention Report
- VIII. 11:00 a.m. - Dr. Delgado - Report on disability ratings
- IX. Other Business
- X. Adjournment

MINUTES
KWORCC BOARD OF TRUSTEES
Club House Inn, Topeka, Kansas
May 4, 1995

The KWORCC Board of Trustees convened with the KCAMP Board of Trustees for a special joint meeting. The KWORCC Board joined the KCAMP Board Meeting already in progress at approximately 11:30 a.m. The joint meeting was chaired by KWORCC President, Bobby Heitschmidt. KCAMP and KWORCC Board members present were:

Dallas Bressler, Morton County Commissioner
Kathy Bowman, Pawnee County Commissioner
Joe Stucky, Reno County Commissioner
Dudley Feuerborn, Anderson County Commissioner
Barbara Wood, Bourbon County Clerk
John Delmont, Cherokee County Commissioner
Rosalie Seemann, Thomas County Clerk
Dale Sutton, Stevens County Commissioner
George Sprague, Leavenworth County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
Charles Hutchison, Osage County Commissioner
Gayle Landoll, ^{Marshall}~~Grant~~ County Clerk
Ralph Unger, Decatur County Commissioner
Carol Salvik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner

Also present were:

Jeanie Cowan, KCAMP Pool Manager
Kent Erwin, GW
Bruce Woner, Attorney for KCAMP and KWORCC
Lee Knight, Coopers & Lybrand
Larry Morriss, Coopers & Lybrand

The Pool Boards requested that Jeanie Cowan, Kent Erwin, Bruce Woner, and representatives of Coopers & Lybrand remain for a joint Executive Session. Charles Hutchison moved and Ralph Unger seconded that the joint Boards go into Executive Session for a

period of one hour. The motion carried.

The Boards went into Executive Session at 11:30 a.m. The Boards came out of Executive Session at 12:30 p.m. Ralph Unger moved and Rosalie Seeman seconded the motion to go into Executive Session for an additional five minutes. The Boards went into Executive Session at 12:35 p.m. The Boards came out of Executive Session at 12:35 p.m.

A lunch break was held.

The Boards reconvened at 1:30 p.m. Ralph Unger moved and Rosalie Seemann seconded the motion to go into Executive Session for one hour. The Boards went into Executive Session at 1:30 p.m. The Boards came out of Executive Session at 2:23 p.m.

Change of Bank Accounts. The Boards discussed the option of changing the location of the Pools' bank account. Bruce Woner advised that an interpleader action was a possibility. Jeanie Cowan indicated that during the initial meeting with Mercantile Bank officers, no satisfactory answers were given by the Bank. Both Mr. Woner and Ms. Cowan, experienced frustration with the Bank.

Two Bank IV representatives, Mark Ault and Jeff Berkeley, presented a proposal to the Pools for securing the funds of both KCAMP and KWORCC. Bank IV presented two types of accounts for the depositing of the money for the Pools. The Bank IV officials discussed securing the monies in the accounts with the pledge of the government bonds and other securities. Further discussion was held regarding the various options for sweeping the accounts for compensation and the most cost-effective way for the Pools to proceed. The Boards discussed the administrative and operational costs and keeping them to a minimum to get the maximum return for the Pools. The Bank pledged that it would work with the Pools to readjust the accounts to fit the needs of the Pools.

Bruce Woner suggested that the Pools might want to send the deposits through a lock box and on to the Bank. Barbara Wood suggested that the Pools take bids for the accounts. Bobby Heitschmidt suggested that the Pools secure their money now and

in the future take bids for the account. The Boards' comptrollers, George ~~Sprague~~^{Schlesener} and John Delmont, have the authority as comptrollers to take the funds and move them. Ralph Unger moved and Charles Hutchison seconded the motion to move the KWORCC funds from Mercantile to Bank IV with the authority of the comptroller. The motion carried.

Jeanie Cowan mentioned that Bank IV and Commerce were felt to be the only banks in the Topeka area that could handle the amount of money that the Pools' possess. Jeanie Cowan discussed the urgency for securing the Pools' money due to findings brought to light by the auditors during Executive Session.

Discussion was held as to which persons would be in charge of having access to the monies in the account. Questions were raised over which persons had the individual responsibility for having authority to administer the monies in these accounts.

George Sprague moved and Joe Stucky seconded that all KCAMP funds, including the claims account, administrative account and money market account be transferred from Mercantile to Bank IV. Barbara Wood abstained. The motion carried.

Discussion was held regarding check signing authority and approval for expenditures. It was agreed that all Board members who chose to, would sign the signature cards passed around at the meeting. Barbara Wood stated she would not sign anything today until she knew the legalities of her action.

The KCAMP Board discussed its next meeting and decided that May 19 was the previous date set for the meeting, but seemed to be out of the question since it was only a few weeks away. June 1-2 were mentioned. The next meeting was set for 8:00 a.m. on Friday, June 2, 1995. Joe Stucky asked that he be excused at 3:30 p.m. Mr. Stucky's absence was noted for the record.

Further, all agreed the Coopers & Lybrand audit would be put on hold until KAC provided information requested. Discussion was held with the auditors of Coopers & Lybrand, regarding a report to be given to the KAC Board meeting on Friday, May 5. Dallas Bressler advised that Dudley Feuerborn had asked him to stay for

the May 5 KAC Board meeting and he would be doing so. It was decided to have Bobby Heitschmidt, on behalf of KWORCC, Dallas Bressler, on behalf of KCAMP, and Bruce Woner to meet with KAC Board on Friday, May 5 at 1:00 p.m. as well as the auditors from Coopers & Lybrand, if possible.

180-day Protocol. Bobby Heitschmidt moved that discussion move forward to the proposed 180-day Protocol prepared by Bruce Woner.

Bruce Woner discussed the issues involved under the headings of Banking and Personnel. The idea behind the Protocol is to find a way to make sure people have rules to follow.

A question was raised on any change to the check signing authority and approval previously arranged in the meeting of March 31, specifically mentioning whether or not Mrs. Bradley would be a signee on the signature cards. Discussion was held regarding Jeanie Cowan having check-signing authority up to \$500, with a co-signor over \$500.

Dudley Feuerborn did not anticipate any changes in the procedure of having two individuals, namely Jeanie Cowan and Bev Bradley, co-sign on the checks.

Jeanie Cowan stated that in her position as Director of Insurance Pooling and Risk Management Services, she had a full understanding as to amounts and payees for claims checks. She did not have a problem having two individuals signing on the account, however, she brought to the attention of the Pool Boards that Mrs. Bradley had mentioned in the past that she did not want to be a signor on the account because she did not know what the specifics of payments in regards to the claims.

Additional questions were raised regarding check signing authority and approval. Jeanie Cowan described the history of the situation for the last four years. The claim adjustor has claim signing ability up to \$10,000, but not for any claim adjustors on site. For checks from \$10,000 to \$20,000, the claim check requires a signature from Kansas City and signature from Topeka (that person had been John Torbert). The process was

changed so that Jeanie Cowan was given authority for check signing. Claim checks over \$20,000 require settlement authority from the Board, then a signature is obtained in Kansas City, and then sent to Topeka. In the past, a proposal to add a Board member's signature on checks over \$20,000 was made, however, this created a bind for 'time of the essence' matters. Overall, the method described has worked.

Discussion arose on having the Comptroller for the Boards be signors on the checks over \$20,000 in place of Jeanie Cowan. It was stressed that someone needs to be available at all times to sign these checks if need be. It was further discussed that any board member would be appropriate to sign, as long as the board member did not object to signing.

Discussion continued on having Mrs. Bradley be a signor on the account. Bruce Woner discussed that having a staff member from KAC be a signator on Pool-related checks does not mesh with the Pools' decision to ensure financial accountability or statutory authority. George Sprague mentioned that he felt Mrs. Bradley would not have a problem with taking her off the signature card for the Pools. The Pool Boards mentioned that they did not want the KAC to feel as though they were being totally left out of the administration.

Bruce Woner reiterated that the Pools were not trying to leave the KAC out, but that the Pools were trying to get control of their funds as required by statute. He mentioned the fact that there has been trouble by having both KAC and the Pools as signors on the accounts. He stressed that the Pools did not want the overlap problem of having KAC as signors.

It was also discussed that Jeanie Cowan, a member from the Pool Board and a member of the KAC Board be signors on the checks. It was mentioned that the Pool Boards would be getting too much, as opposed to not enough, information for a while, until a procedure could be established for check signing authority and approval. In addition, the Pool Boards, as well as several Pool staff members, would have a better understanding of Pool expenses separate from KAC.

George Sprague reviewed K.S.A. 12-2627(b) and mentioned that control and administration of the funds is the responsibility of the Pool and is specified in the by-laws.

Ralph Unger asked that one banking issue be amended to provide that duplicate monthly bank statements be sent, one to the Comptroller and one to the office.

George Sprague asked if a post office box is in place at this time. The answer was no and the Boards moved that investigating or setting up a post office box be added as banking proposal No. 10.

The Protocol was further amended to include investigating and moving toward running all pool receipts through a lock box. In addition, investigating having a post office box set up for the mail. Banking protocol No. 5 was amended to reflect running all pool receipts through a lock box.

Ralph Unger moved and Doyle Alcorn seconded the motion to adopt the Protocol with said amendments for the KWORCC Board. The motion carried.

Kathy Bowman moved and Dale Sutton seconded the motion to adopt the Protocol with said amendments for the KCAMP Board. The motion carried.

Discussion moved to the people side of handling the business. It was mentioned that contact is continuing to be made with the previous Executive Director on behalf of certain KAC members.

Dudley Feuerborn discussed that any contact with him was not to occur by agreement in the contract. Ms. Wood commented whether the personnel handbook utilized by the KAC would conflict with the proposed personnel protocol.

The Protocol mentioned KCAMP and KWORCC having their own phone lines. To justify the request for separate phone lines, Jeanie Cowan relayed to the Board members that she had requested certain persons to try to contact her. She got the messages from

those persons in a spotty fashion, inconsistent fashion, and three specific times messages did not get through. To not get phone calls is simply not a way to run the business.

Jeanie Cowan has polled a few people on their thoughts concerning the Pools getting their own lines directly to the insurance operation and also possibly getting a 800 number. Most people polled thought it was a great idea. Furthermore, Jeanie Cowan thought this could help get the Pools one step further in establishing better contact with members and more personalized service. She thought it would serve the Pools well and did not understand how the lines could cost that much more. Barbara Wood countered that separate lines would be expensive.

Jeanie Cowan had asked KAC if they would allow the Pools to have any lines currently operating in the building. KAC felt they could not handle losing any lines. Following the direction of the Pool Boards, Jeanie Cowan was given an estimate of \$152 for three lines along with the regular monthly phone bills.

Dudley Feuerborn asked if the direct line and two other lines would be sufficient. Jeanie Cowan thought that would be sufficient.

George Sprague questioned who the director would be to administer directions of Protocol Personnel Issues 7, 8 and 9.

On behalf of KWORCC, George Schlesener moved and Charles Hutchison seconded the adopting of the personnel issues of the Protocol with said amendments to the phone lines and the exception of 7, 8 and 9. The motion carried.

George Sprague moved and Rosalie Seemann seconded motion to adopt the personnel issues of the Protocol with the said amendments. The motion carried for KCAMP.

Mr. Woner directed the Boards' attention to K.S.A. 12-2627(a) regarding the appointment of the Administrator and the requisite Bond.

On behalf of KWORCC, Doyle Alcorn moved and Ralph Unger

seconded a motion to proceed to obtain the subtitle A of the Bond. The motion carried.

Barbara Wood moved and George Sprague seconded motion to proceed to obtain the Bond. The motion carried for KCAMP.

Rosalie Seeman inquired as to whether the insurance department should be invited to address the Boards. Jeanie Cowan discussed the Pools' relationship with the regulators and the feelings the Department has for the Pools. The Department offered to come to the meeting and advise the Pools that the actions on the by-laws was correct and that the Pools have not overstepped their bounds by proceeding in the manner taken; to discuss the duality of board members; and to discuss where the Pools are at in terms of compliance and expressing their opinions regarding the strong action of the Pools as it relates to the audit. The regulators see the Boards' response as a prudent business action by taking such strong action in resolving this issue.

Rosalie Seemann felt that for the Boards' own relief and confidence it would be a great idea to have the regulators come and talk with the Pool Boards. Jeanie Cowan advised she would be more than happy to extend the invitation to the regulators to come and meet with the Board members.

Discussion began about issues regarding surety bonds. The Board felt it was a good idea to send a letter to the counties letting them know that they do already provide a surety bond under KCAMP policy. Independent agents operating in the counties have been approaching several counties with a surety bond. Jeanie Cowan related a scenario regarding an issue in Barber County over surety bonds.

Jeanie Cowan also informed the Board members for KWORCC that the policy manuals have been mailed. The policy manual is very easy to read and something to be proud of.

Time was given to review the minutes for the prior meetings. Dudley Feuerborn moved and John Delmont seconded the motion to approve the three sets of the minutes, and to approve the prior

acts of the Trustees. The motion carried for KCAMP.

Director's and Officer's Liability Policies. Director's and Officer's Liability proposals were discussed. Kent Erwin explained the coverage, complete with bindable quotes. Every policy form has different D & O, primarily covering the acts and responsibilities of the Board or organization. Aetna is one of the largest carriers in the United States. It's proposal includes a separate policy for each Pool Board. The question about how much limits are needed can not be given in stone, only presented, however, is primarily limited to \$500,000 under the Tort Claims Act. It needs to be investigated and verified whether or not the Pool Boards fall into that category. This would determine what the limits would be.

The Pool Boards decided to get something in place and then determine the limits. Payments are not made on behalf of but rather are reimbursements. Each Pool Board would be responsible for \$50,000. If the Boards follow the rules set in place, the insurance policy applies; if not than the insurance will not make a difference.

Discussion over coverage for Jeanie Cowan was discussed regarding omissions and errors coverage. She technically is employed by the KAC. Therefore, the Boards need to check in to making sure Jeanie Cowan is covered under some type of errors and omissions coverage as the regulator for the Pools.

Discussion turned to the United Capitol Insurance Company proposal. The cost is significantly less however coverage is substantially different. No claims would be covered prior to today. Pools decided they needed retroactive coverage.

Kent Erwin related that including the retroactive issue into the United Capitol Proposal would make the premium similar to Aetna's proposal. Kent Erwin also stated that commission would be 10% on both policies, 5% to Gallagher Woodsmall in Topeka and 5% to the Chicago office. Kent Erwin will receive no money from either policy.

Kent Erwin recommended the Aetna policy due to the needs of

the Boards. He stated there may be something in the market better than this, however, he believes the Boards must act expediently. Coverage can begin immediately for KCAMP. KWORCC will need to submit a document for review and coverage will begin immediately thereafter.

George Sprague wondered if the premium would ever be reconsidered in future years. Questions were raised on the issue as to whether or not they have the money to so proceed.

Jeanie Cowan said the Boards will save that much money this year and 10 to 20 times that amount in future years once the exact cost it takes the Pools to operate can be determined, even taking into consideration the \$50,000 for the audit.

The insurance is something the Boards need to have despite any situation they may or may not be involved. The Boards can not afford to operate this business without these policies.

Jeanie Cowan further mentioned that KCAMP/KWORCC vacant personnel positions that were budgeted for but not filled until recently should more than likely pay for the premium to get the policy in place.

Barbara Wood moved and Kathy Bowman seconded that KCAMP accept the Aetna policy. The motion carried.

Ralph Unger moved and Charles Hutchison seconded that KWORCC accept the Aetna policy. The motion carried.

Jeanie Cowan mentioned the annual PRIMA conference coming up in Seattle. It has been budgeted that she attend this meeting. However, she stated that she will not do any out of state travel without the Boards' approval. In addition, she was asked to speak on June 1-3 in San Antonio, TX. Her opinion of the situation is that she does not think she should accept the invitation to speak in Texas. The other conference regarding PRIMA is more important.

Furthermore, PRIMA has four annual meetings. She tries to get to at least two every year. She would like to think that

from the frugal handling of money, a few Board members would be able to attend meetings in the future. The most important meetings for Jeanie to attend are the National meeting and the Administrator's meeting.

Kathy Bowman moved and Carol Slavik seconded Ms. Cowan's request to attend the PRIMA conference and not attend the meeting on June 1-3. The motion carried on behalf of KCAMP and KWORCC.

The KCAMP Board adjourned and left the joint meeting and the KWORCC Board continued with their meeting. KWORCC Board members present were:

KWORCC Meeting.

Bobby Heitschmidt, Ellsworth County Commissioner
Charles Hutchison, Osage County Commissioner
Gayle Landoll, Grant County Clerk
Ralph Unger, Decatur County Commissioner
Carol Slavik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner

Also present were:

Jeanie Cowan, KCAMP Pool Manager
Kent Erwin, GW
Michelle Roberts, Attorney for KWORCC

Report by Country Club Bank. Mr. Chris Thompson presented a proposal on behalf of the Country Club Bank in Kansas City, Missouri. Jeanie Cowan excused herself during the proposal and her absence was noted for the record.

Mr. Thompson outlined the packet he had prepared addressing the assets and finances of KWORCC reflecting current and past transactions. He indicated the approach of Country Club Bank has always been a tempered portfolio. It has adjusted their dash board as rates have raised. There are no risks involved with this type of portfolio. These are government policies, are safe and are fairly liquid. The Bank's philosophy is to not time the

market but to match their portfolios to the cash demand.

Further discussion continued on the issue of bonds. Everything matures at cost, not at a loss. Most of the bonds come mature in the year 2000, and KWORCC has no long term bonds at this time. Mr. Thompson advised that Country Club Bank is switching it's charter, it will be a national bank chartered in Kansas with headquarters relocating to Johnson County.

Kent Erwin emphasized that the KWORCC yield is right in line with what the Kansas League of Municipalities have received. The securities held by KWORCC are actually in a Federal Reserve Bank at Leavenworth Bank, that are 100% government insured.

During the proposal by Country Club Bank, Jeanie Cowan returned to the meeting.

Signatures on Checks. The Board addressed the question of who will sign the checks. In the past, there have been two signers, Annette and John. Carol Slavik moved and George Schlesener seconded the motion to have Jeanie Cowan and Bobby Heitschmidt be signors on the account. Motion carried. Further discussion for the signing of checks was held. Ralph Unger moved and Doyle Alcorn seconded that any KWORCC board member on the signature card would be able to sign checks. Motion carried.

Auditor's Report to KAC Board. Jeanie Cowan advised the Board that she had spoken with Lee Knight of Coopers & Lybrand via telephone. Mr. Knight had presented a series of requests to Annette upon his return to the KAC office and Annette was not very receptive of that information. Mr. Knight further advised Jeanie Cowan he would not be able to present the audit information to the KAC Board meeting on May 5. The policy of Coopers & Lybrand requires a partner and a member doing the audit must be present to address the Board. Mr. Knight suggested that given the idea that the KAC Board may be a hostile group, it may be better for it to get the information on paper and digest it. Mr. Knight advised he could be present by telephone, but not in person.

The Board discussed that Bruce Woner, Jeanie Cowan, Bobby

Heitschmidt, and Dallas Bressler would attend the KAC Board with the information presented by the auditors. The Board discussed that the KAC Board may not even allow Jeanie Cowan, Dallas Bressler or Bruce Woner to be present.

Review of Expenditures. Jeanie Cowan reviewed expenditures and reviewed what expenditures were acceptable for reimbursement. She stressed that no alcohol should be purchased on county money. The Board reaffirmed that it had already addressed the issue and does not charge alcohol. Jeanie Cowan further mentioned that expenditures for spouses and/or guests should not be charged to expense accounts.

Approval of Minutes of March 30-31, 1995. Time was given to review the minutes of the March 30-31, 1995 meetings and the minutes from the April 6, 1995 telephone conference. The minutes were amended to reflect that a motion was made to hire David Madden as executive counsel for the Board, which was moved by Ralph Unger and seconded by Linda McHenry. The motion ultimately carried. The motion should be inserted after the 1:30 p.m. Executive Session. Carol Slavik moved and Charles Hutchinson seconded that the March 30-31, 1995 minutes be approved as amended. The motion carried. Ralph Unger moved and Charles Hutchinson seconded that the minutes from the special meeting of March 31 be approved. The motion carried.

Approval of minutes from April 6, 1995. George Schlesener moved and Doyle Alcorn seconded that the April 6, 1995 special meeting by telephone conference be approved. The motion carried.

New Business. Jeanie Cowan outlined the information contained in the packets provided for the meeting. Jeanie Cowan reviewed a letter from Lee Knight regarding increasing the budget for the audit up to the level of \$55,000. George Schlesener moved and Ralph Unger seconded the motion to increase the budget for the audit to \$55,000. The motion carried.

Jeanie Cowan discussed the Market Update regarding the dividend paid to counties participating in the safety group program, EMC. The article further stated that KCAMP insures 42 counties. Jeanie Cowan was advised from a friend who is an

insurance regulator that if KCAMP could reduce the Administration fee, they would be able to provide a dividend for KCAMP members. Ralph Unger mentioned that EMC would catch wind of the events surrounding the Pools and advised the Board members to get ready for what is to come. Jeanie Cowan advised that the Pools would be more knowledgeable. The Pools need to run like a business. The membership has been kept informed and strong action has been taken on matters revolving around issues at hand.

Bobby Heitschmidt recommended that a letter be sent to the members of the pools regarding the changes that have come and the progress that has been made on the insurance.

Adjournment. Gayle Landoll moved and Carol Slavik seconded that the meeting be adjourned until Friday, May 5. The motion carried. Meeting adjourned at 6:55 p.m.

MINUTES
KWORCC BOARD OF TRUSTEES
Club House Inn, Topeka, Kansas
May 5, 1995

The KWORCC Board of Trustees reconvened on May 5, 1995 at 9:08 a.m. at the Club House Inn, Topeka, Kansas. The meeting was called to order by President, Bobby Heitschmidt.

Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Charles Hutchison, Osage County Commissioner
Gayle Landoll, Grant County Clerk
Ralph Unger, Decatur County Commissioner
Carol Slavik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner

Also present were:

Jeanie Cowan, KCAMP Pool Manager
Bill Henry, Loss Prevention Representative
Carl Eyman, Loss Prevention Representative

Jeanette Bales, GW
Cathy Hanson, GW

Claims Report. Jeanette Bales gave the claims report. Ms. Bales requested authority for a lump sum settlement of \$72,017.40. George Schlesener moved and Carol Slavik seconded to proceed with Ms. Bales' request for authority to negotiate without mentioning the limit of settlement. The motion carried. *Case 94-710372 JW*

Ms. Bales requested authority to go to the maximum settlement in the amount of \$21,47.37. Carol Slavik moved and George Schlesener seconded to proceed with Ms. Bales' request. The motion carried. *Case 94-710009 MI.*

Ms. Bales's requested authority to go to the settlement limit of \$24,006.79. George Schlesener moved and Charles Hutchison seconded to proceed with Ms. Bales' request. The motion carried. *Case 94-710082 RW.*

The Board went into Executive Session for thirty minutes at approximately 10:00 a.m. The board came out of Executive Session at approximately 10:30 a.m.

Rating of Impairments. Dr. Delgado presented a film presentation on the rating of impairment in worker's compensation cases. He discussed the differences between impairment and disability. He showed the Board an example of assigning an individual an impairment number by the amount of disability in his various.

Loss Prevention Visits. Carl Eyman and Bill Henry brought information regarding the loss prevention visits. Carl Eyman felt that most employees would take recommendations better from their own peers rather than the loss prevention representatives. Charles Hutchison thought the loss prevention representatives were more effective than anyone working in the county.

Bill Henry reviewed the charts regarding the worker's compensation losses in various departments, pointing out that the Road & Bridge Departments have the most losses. Bill Henry mentioned that the high dollar value per case in the Landfill

Department was due to the fatality cases.

The board discussed having the next meeting on June 15 and 16, 1995 at the Clubhouse Inn.

Recess. Ralph Unger moved and George Schlesener seconded the motion to recess the meeting until 2:00 p.m. for lunch break.

The meeting reconvened at 3:15 p.m.

Carol Slavik moved and Ralph Unger seconded to direct counsel to take whatever action/inaction deemed appropriate in his judgment to secure the funds on deposit at Mercantile Bank and to aid in their transfer to Bank IV. The motion carried.

Meeting adjourned at 4:30 p.m.

Respectfully submitted,

Charlene Sayles

MINUTES
KWORCC BOARD OF TRUSTEES
Special Meeting by Telephone Conference
April 6, 1995

The telephone conference started at approximately 10:20 a.m.

Persons participating:

Doyle Alcorn
Jeanie Cowan
Bobby Heitschmidt
Charles Hutchinson
Gayle Landoll
Linda McHenry
Michelle Roberts (Woner, Glenn, Reeder & Girard)
George Schlesener
Carol Slavik
Ralph Unger
Bruce Woner (Woner, Glenn, Reeder & Girard)

Not participating:

Wes Holt. Woner, Glenn, Reeder & Girard left two messages for Mr. Holt, one of which was reported by Mr. Holt to be inaccurate resulting in his not participating in the call.

A. The special meeting was called to order by Mr. Heitschmidt. All participating waived notice.

B. Mr. Woner advised of action items:

1. Repledge of cooperative action; get a meeting of key officers and personnel; if cooperative agreement cannot be reached.
2. 180 day notice to cancel agreement to open dialogue for new rules of conduct.
3. Coopers & Lybrand to undertake Phase I of forensic audit.

Mr. Woner reviewed actions taken by KCAMP in their special meeting.

C. Repledge to cooperation; want to make sure that the three groups involved in the administration proceed with dignity and decorum in a cooperative and positive manner, with the idea we must proceed with haste, but in a cooperative manner that seeks a positive resolution;

Minutes of Special Meeting of KWORCC Board of Trustees
April 6, 1995

The telephone conference started at approximately 10:20 a.m.

Persons participating:

Doyle Alcorn
Jeanie Cowan
Bobby Heitschmidt
Charles Hutchinson
Gayle Landoll
Linda McHenry
Michelle Roberts (Woner, Glenn, Reeder & Girard)
George Schlesener
Carol Slavik
Ralph Unger
Bruce Woner (Woner, Glenn, Reeder & Girard)

Not participating: Wes Holt. Woner, Glenn, Reeder & Girard left two messages for Mr. Holt, one of which was inaccurate resulting in his not participating in the call.

- A. The special meeting was called to order by Mr. Heitschmidt. All participating waived notice.
- B. Mr. Woner advised of action items:
1. Repledge of cooperative action; get a meeting of key officers and personnel, if cooperative agreement cannot be reached.
 2. 180 day notice to cancel agreement to open dialogue for new rules of conduct
 3. Coopers & Lybrand to undertake Phase I of forensics audit

Mr. Woner reviewed actions taken by KCAMP in their special meeting;

C. Repledge to cooperation; want to make sure that the three groups involved in the administration are dealt with dignity and decorum in a cooperative and positive manner, with the idea we proceed with haste, but in a cooperative manner that seeks to a positive resolution; give Mr. Woner the direction to make sure we don't take any legal action that is adversary;

Mr. Schlesener moved to repledge to cooperation, with alternative of meeting with key officers of three groups; 2d by Mr. Unger; unanimously approved.

D. Mr. Woner reported that the Agreement for General Administrative Services, paragraph 8, discussion of 180 day written notice to cancel 180 days prior to cancellation. Mr. Woner indicated to give notice of cancellation to get the dialogue of seriousness of issues open and on the table. Meeting set up with Jim Reardon for 10:30 a.m. tomorrow.

Discussion: Not locked in to cancellation; Mr. Woner advised finding our way in 60-90 days to get real numbers, find our way to new rules and make sure that all are in agreement as how the agreement rolls forward, we don't want to continue with status quo, we are creating the window to address the issues; Ms. Cowan commented that it was similar to the notice sent to A-ON (?) to advise they are not satisfied and need to redefine it; Mr. Hutchinson advised that a KAC member, Jim Williams, approached him at a meeting, to say that he didn't want an audit because it will enter into a lawsuit; Ms. Cowan indicated she saw the pools in a lawsuit if they don't do an audit; the Insurance Commissioner would come down hard on the pools; discussion that the pools would pay for it; Ms. Cowan also indicated that the Board and Ms. Cowan would be remiss if there was no follow through to get some answers; Mr. Hutchinson commented he was all for getting it straightened out, but are there repercussions that you can see now; Ms. Cowan indicated there was no way to tell right now, they are only working with a lot of suspicion; Mr. Unger commented it was imperative that the Board confirm or deny the rumors that are out there; Mr. Woner indicated it was always the tendency to go forward and not look back, but the pool needs to know where it's funds have gone and how they have been used; not seeking to have a determination made where every dollar of KAC money went, but the determination of how insurance pool funds were used; the idea is to find some determination as to how the insurance pools monies have been used; the idea the Board is not fulfilling its duty is significant; doesn't think the Board will be sued because the audit is taken, although something may be uncovered to show what other future action needs to be made; the insurance commissioner might sue if the audit is not done; Mr. Schlesener indicated that it was up to the KAC board if they wanted to go further, just looking for the funds that were KWORCC's funds, sharing the costs with KCAMP; Mr. Woner advised of KCAMP board vote on this issue, including the abstention of Ms. Wood and Mr. Feuerborn, and the report that they abstained due to their duality on both boards; Mr. Alcorn inquired as to whether Mr. Reardon was a practicing lawyer; Mr. Woner affirmed that he was not a practicing lawyer, but a certified financial planner, although it casts a bit of a question mark that he had indicated that the lawyer being hired by the pools indicated we were going to be adversary in nature; discussed the conflict Mr. Reardon would have had in representing all three parties;

Mr. Alcorn moved to give the 180 day written notice; Mr. Hutchinson 2d; Unanimously approved.

E. Undertake Phase I of Coopers & Lybrand audit for a shared cost with KCAMP of \$3,500.00. Mr. Woner advised that the proposal included five phases, but the initial phase would

Minutes of Special Meeting of KWORCC Board of Trustees

April 6, 1995

Page 3

tell us what was there and what further needed to be done; could start next week.

Mr. Unger moved to undertake Phase I of audit with Coopers & Lybrand; Ms. Slavik 2d; unanimously approved.

Mr. Hutchinson inquired regarding whether pools could withstand the full audit price. Ms. Cowan advised the pools could pay for the audit. Ms. Cowan commented that the Board directed her to get written estimates, that she contacted four firms and that Coopers & Lybrand was the only who responded with a written proposal, because of the personnel; she indicated that due to his experience, in Phase I (document review and understanding), his sixth sense would tell him how far it needed to go and what the budget would be to carry it through to the end; Ms. Cowan indicated that she would continue to look if the Board so decided; this firm performs the actual audit and actuarial standards; reported that Phase I would take 2-3 weeks to complete; the time will depend on how well the KAC is willing to work with the Board and the auditor; the auditor indicated he could start as early for Monday; advised auditor the Board would want to be addressed personally.

Next meeting is 4th and 5th of May;

Mr. Woner advised they would over-report; reminded of confidentiality relationship; KCAMP board told Ms. Cowan to take the day off.

Mr. Unger inquired as to responses to give to inquiries; he indicated he had been stating that KWORCC is taking all steps necessary to preserve the integrity of the board; Mr. Woner discussed that it might be necessary to send a report to the membership, including the special meeting, is a positive thing; Mr. Unger suggested that a report be sent out;

KWORCC advised Ms. Cowan to take the day off tomorrow.

Meeting adjourned 10:58.

and, give Mr. Woner the direction to make sure we don't take any legal action that is adversarial.

Mr. Schlesener moved to repledge cooperation, with alternative of meeting with key officers of three groups; seconded by Mr. Unger; unanimously approved.

D. Mr. Woner reported that the Agreement for General Administrative Services, paragraph 8, required 180 day written notice to cancel 180 days prior to cancellation. Mr. Woner indicated giving notice of cancellation would get the dialogue of seriousness of issues and on the table. Meeting set up with Jim Reardon for 10:30 a.m. tomorrow.

Discussion: Not locked in to cancellation; Mr. Woner advised finding our way in 60-90 days to get real numbers, find our way to new rules and make sure that all are in agreement as how the agreement rolls forward, we don't want to continue with status quo, we are creating the window to address the issues; Ms. Cowan commented that it was similar to the notice sent to AON to advise not satisfied and need to redefine agreement; Mr. Hutchinson advised that a KAC member, Jim Williams, approached him at a meeting, to say that he didn't want an audit because it will enter into a lawsuit; ms. Cowan indicated she saw the pools in a lawsuit if they don't do an audit; the Insurance Commissioner would come down hard on the pools; discussion that the pools would pay for it; Ms. Cowan also indicated that the Board and ms. Cowan would be remiss if there was no follow-through to get some answers; Mr. Hutchinson commented he was all for getting it straightened out, but are there repercussions that you cannot see now; ms. Cowan indicated there was no way to tell right now, they are only working with a lot of suspicion; Mr. Unger commented it was imperative that the Board confirm or deny the rumors that are out there; Mr. Woner indicated it was always the tendency to go forward and not look back, but the pool needs to know where its funds have gone and how they have been used and what its cost to operate really is; not seeking to have a determination where every dollar of KAC money went, but the determination of how insurance pools funds were used; the idea to find some determinations to how the insurance pools monies have been used; the idea the Board is not fulfilling its duty is significant; doesn't think the Board will be sued because the audit is taken, although something may be uncovered to show what other future actions needs to be pursued; the insurance commissioner might sue if the audit is not done; Mr. Schlesener indicated that it was up to the KAC Board if they wanted to go further, just looking for the funds that were KWORCC's funds, sharing the costs with KCAMP; Mr. Woner advised of KCAMP Board vote on this issue, including the abstention of Mr's. Wood and Mr. Feuerborn, and the report that they abstained due to their duality on both Boards; Mr. Alcorn inquired as to whether Mr. Reardon was a practicing lawyer; Mr. Woner affirmed that he was not a practicing lawyer, but a certified financial planner, although it casts a bit of a question mark that he had indicated that the lawyer being hired by the pools indicated we were going to be adversary in nature; discussed the conflict Mr. Reardon would have had in representing all three parties;

Mr. Alcorn moved to give the 180 day written notice; Mr. Hutchinson seconded; unanimously approved.

E. Undertake Phase I of Coopers & Lybrand forensic audit for a shared cost with KCAMP of \$3,500.00. Mr. Woner advised that the proposal included five phases, but the initial phase would tell us what was there and what further needed to be done; could start next week.

Mr. Hutchinson inquired regarding whether pools could withstand the full audit price. Ms. Cowan advised the pools could pay for the audit. Ms. Cowan commented that the board directed her to get written estimates, that she contacted four firms and that Coopers & Lybrand was the only who responded with a written proposal, because of the personnel; she indicated that due to their experience Phase I (document review and understanding) would tell them how far they needed to go and what the budget would be to carry it through to the end; Ms. Cowan indicated that she would continue to look if the Board so decided; this firm performs the actual audit and actuarial standards; reported that Phase I would take 2-3 weeks to complete; the time will depend on how well the KAC is willing to work with the Board and the auditor; the auditor indicated he could start as early as Monday; advised auditor the Board would want to be addressed personally; auditors understand purpose is to find how pool funds spent and actual cost to operate.

Mr. Unger moved to undertake Phase I of the forensic audit with Coopers & Lybrand; Ms. Slavik seconded; unanimously approved.

Next meeting is 4th and 5th of May;

Mr. Woner advised they would over-report; reminded of confidentiality relationship; KCAMP board told Ms. Cowan to take the day off.

Mr. Under inquired as to responses to give to inquiries; he indicated he had been stating that KWORCC is taking all steps necessary to preserve the integrity of the Pool; Mr. Woner discussed that it might be necessary to send a report to the membership, including a special meeting, is a positive thing; Mr. Unger suggesting that a report be sent out.

KWORCC advised Ms. Cowan to take the day off tomorrow.

Meeting adjourned 10:58 a.m.

Minutes of Special Meeting of KWORCC Board of Trustees
April 6, 1995

Persons participating:

Doyle Alcorn
Jeanie Cowan
Bobby Heitschmidt
Charles Hutchinson
Gayle Landoll
Linda McHenry
Michelle Roberts (Woner, Glenn, Reeder & Girard)
George Schlesener
Carol Slavik
Ralph Unger
Bruce Woner (Woner, Glenn, Reeder & Girdard)

Not participating: Wes Holt

- A. Meeting called to order by Mr. Heitschmidt
- B. Mr. Woner advised of action items:
1. Repledge of cooperative action, get a meeting of key officers and personnel, if cooperative agreement cannot be reached.
 2. 180 day notice to cancel agreement to open dialogue for new rules of conduct
 3. Coopers & Lybrand hired to undertake Phase I of forensics audit

Mr. Woner reviewed actions taken by KCAMP in their special meeting;

C. Repledge to cooperation, want to make sure that the three groups involved in the administration are dealt with dignity and decorum in a cooperative and positive manner, with the idea we proceed with haste, but in a cooperative manner that seeks to a positive resolution; give Mr. Woner the direction to make sure we don't take any legal action that is adversary;

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Mr. Alcorn moved to give the 180 day written notice; Mr. Hutchinson 2d; Unanimously approved.

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Mr. Unger moved to undertake Phase I of audit with Coopers & Lybrand; Ms. Slavik 2d;

unanimously approved.

Mr. Hutchinson inquired regarding whether pools could withstand the full audit price. Ms. Cowan advised the pools could pay for the audit. Ms. Cowan commented that the Board directed her to get written estimates, that she contacted four firms and that Coopers & Lybrand was the only who responded with a written proposal, because of the personnel, she indicated that due to his experience, in Phase I (document review and understanding), his sixth sense would tell him how far it needed to go and what the budget would be to carry it through to the end. Ms. Cowan indicated that she would continue to look if the Board so decided; this firm performs the actual audit and actuarial standards; reported that Phase I would take 2-3 weeks to complete, the time will depend on how well the KAC is willing to work with the Board and the auditor; the auditor indicated he could start as early for Monday; advised auditor the Board would want to be addressed personally.

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KWORCC advised Ms. Cowan to take the day off tomorrow.

Meeting adjourned 10:58.

MINUTES
KWORCC BOARD OF TRUSTEES

March 30-31, 1995 Club House Inn, Topeka, KS

The meeting of the KWORCC Board of Trustees was held at the Club House Inn, Topeka, Kansas, March 30-31, 1995. The meeting was called to order by President Bobby Heitschmidt, Ellworth County Commissioner at 1:20 p.m. Board members present were:

Bobby Heitschmidt, Ellsworth County Commissioner
Wes Holt, Pottawatomie County Commissioner
Charles Hutchison, Osage County Commissioner
Linda McHenry, Grant County Clerk
Gayle Landoll, Marshall County Clerk
Ralph Unger, Decatur County Commissioner
Carol Slavik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Doyle Alcorn, Jewell County Commissioner

Also present were:

Jeanie Cowan, KWORCC Pool Manager
Beverly Bradley, KAC Deputy Director
Jim Reardon, KAC Legal Counsel
David Madden, Attorney, Fisher, Patterson, Saylor & Smith
Kent Erwin, Broker, Gallagher Woodsmall
Tom Klug, President, Gallagher Woodsmall
John Walker, CPA

Time was allowed for the reading of the minutes from the February 2-3, 1995 meeting. Wes Holt moved and Ralph Unger seconded to approve the corrected minutes; reflecting the misspelling of Mr. Hutchison's name. The motion carried.

Gayle Landoll moved and Ralph Unger seconded to go into Executive Session for 5 minutes to discuss personnel issues. The motion carried. The time was 1:25 p.m.

The Board came out of Executive Session at 1:30 p.m. Linda McHenry moved and George Schlesener seconded to go into Executive Session for 30 minutes at 1:43 p.m. for the purposes of discussing attorney/client matters with Attorney David Madden. The motion carried.

The Board came out of Executive Session at 2:06 p.m. Ralph Unger moved and Charles Hutchison seconded to go back into Executive Session at 2:07 p.m. for another 30 minutes for the purposes of discussing attorney/client matters with Mr. Madden. The motion carried. The Board came out of Executive Session at 2:20 p.m.

Ralph Unger moved and George Schlesener seconded to allow Mr. Madden to negotiate with the KAC on behalf of KWORCC the following items:

1. Detailed audit report.
2. Jeanie Cowan to report directly to the KWORCC Board.
3. Countersignatures on checking accounts.
4. Revision of the KAC Administrative Agreement
5. Changes in the monthly financial report.

Kent Erwin gave a report on Director's & Officer's Liability coverage for the KWORCC Board. Wes Holt moved and Ralph Unger seconded to have Kent Erwin seek quotes for this coverage. The motion carried.

John Walker, CPA was introduced and gave a report on the fiduciary responsibility of the role of CPA's. Mr. Walker served on the Board of Certification of Certified Public Accountants for the state of Kansas.

Bobby Heitschmidt gave a report on the PRIMA Trustees meeting he attended with Jeanie Cowan and Dallas Bressler, KCAMP President the week of March 20, 1995.

Carol Slavik moved and Ralph Unger seconded to recess until 8:30 a.m. March 31, 1995. The motion carried.

The meeting reconvened at 8:40 a.m. on March 31.

Discussion was held regarding check signing authority and approval for expenditures. Carol Slavik moved and Linda McHenry seconded Jeanie Cowan be given check signing authority up to \$500.00 over \$500.00 would required a second signature by Charles Hutchison or George Schlesener. The motion carried.

Jeanie Cowan was instructed by the Board to contact 3 auditing firms to proceed with an audit on the various accounts.

The Board directed to change Ms. Cowan's title from Pool Manager to Director of Insurance Pooling and Risk Management Services.

Jeanette Bales gave the claims report. Ms. Bales requested authority to negotiate a settlement on case No. 94/710259CE. Carol Slavik motioned and Gayle Landoll seconded to proceed with Ms. Bale's request. Motion carried.

Bill Henry was introduced to the board as the new loss prevention representative effective December 17, 1994. Mr. Henry reported on the safety poster service he had been researching. He suggested the pools split the cost of the subscription with the county members. Gayle Landoll motioned and Doyle Alcorn seconded to pay half of the safety poster subscription along with KCAMP for member counties electing to participate in the program. The motion carried.

There being no further business to come before the board, the meeting adjourned at 10:40 a.m.

Respectfully submitted,
Jeanie Cowan

**WAIVER OF NOTICE OF SPECIAL MEETING OF BOARD
OF TRUSTEES OF THE KANSAS WORKERS
RISK COOPERATIVE FOR COUNTIES**

Pursuant to Article 7, Paragraph 7-2, the undersigned trustees hereby waive notice of a Special Meeting called by the President on the 31st day of March, 1995.

Wayne Landell

Bobby Hirtshitt

James A. Hutchinson

Carol J. Alan

Paul D. Urge

MINUTES
KWORCC BOARD OF TRUSTEES
MARCH 31, 1995

A special meeting of the KWORCC Board of Trustees was called by President Bobby Heitschmidt. Board members present were:

Bobby Heitschmidt, Ellsworth County Commission
Ralph Unger, Decatur County Commissioner
Charles Hutchison, Osage County Commissioner
Gayle Landoll, Marshall County Clerk
Carol Slavik, Ottawa County Clerk

Also present were:

Kent Erwin, Gallagher Woodsmall
David Madden, Fisher, Patterson, et al
Bruce Woner, Woner, Glenn, et al
Jeanie Cowan, Director of Insurance

The meeting was called to order at 12:15 p.m., March 31, 1995. The meeting was held in the law offices of Fisher, Patterson, Saylor & Smith.

Mr. Madden reported to the board he felt there was a conflict of interest regarding the representation of the KWORCC Board that was approved by the board on March 30, 1995. He suggested the Board retain the services of Mr. Woner.

Charles Hutchison moved and Gayle Landoll seconded to retain the services of Bruce Woner on an as needed basis to represent KWORCC. The motion carried.

Mr. Woner cited 8.2f of the KWORCC By-laws wherein the duties of Administrator were defined as to having no duties. Additionally that Ms. Cowan would be directed to report directly to the KWORCC board. Carol Slaik motioned and Gayle Landoll seconded the change in duties. The motion carried.

Ralph Unger moved and Carol Slavik seconded to have Mr. Woner speak on behalf of the KWORCC board. The motion carried.

The meeting adjourned at 12:50 p.m.

Respectfully submitted,

Jeanie Cowan

Minutes
KWORCC Board of Trustees
February 2, 1995
Clubhouse Inn
Topeka, Kansas

The meeting was called to order at 1:30 p.m. by President Bobby Heitshmidt.

The following board members were present - Ralph Unger, Carol Slavik, Gayle Landoll, Wes Holt and Charles Hutchinson.

Board member absent was George Schlesener.

Also present were KAC staff members John Torbert, Jim Reardon, Annette Fiedler and Jeanie Cowan. Representing Gallagher Woodsmall were Kent Erwin and Jeanette Bales.

On motion by Landoll and second by Holt the minutes of 12/9/94 were approved with minor corrections.

Annette Fiedler presented the financial report as of 12/31/94. On motion by Holt and second by Hutchinson the financial report as presented was accepted for file.

Jeanie Cowan presented the pool managers report. She reported on the following items:

- *Progress on the Equifax payroll audits. There had been some counties that have expressed concern about being "too busy" to accommodate the auditor. Board members agreed to contact those counties to explain the necessity for a timely audit.

- *KWORCC is undergoing its standard audit by the Kansas Insurance Department. The audit will cover the period of time up through 12/31/93.

- *The Kansas Association of Insurance Agents has once again had published erroneous information concerning by-law provisions of the pools.

- *She presented a '95 premium analysis worksheet for member counties.

- *Jeanie Cowan asked Kent Erwin to give the excess insurance report. The excess insurance was placed with the same two companies that were used in 1994, Employers Reinsurance Corporation and Safety National Casualty Company.

- *John Torbert reported on the Agreement for Administrative Services. Landoll moved and Hutchinson seconded the motion to approve the agreement as presented. Motion passed.

- *Jeanie Cowan and Kent Erwin reported on the

Gallagher/Woodsmall administrative agreement for 1995. Holt moved and Unger seconded the motion to approve the agreement with changes as presented. Motion passed.

*Slavik moved and Unger seconded the motion to approve the membership of Woodson County effective 1/1/95 and Grant County effective 2/15/95. Motion passed.

Ralph Unger moved and Wes Holt seconded to recess until 9:00 a.m. 2/3/95. time was 4:29 p.m.

The meeting reconvened at 9:00 a.m. on Friday, 2/3/95. Present were Heitshcmdit, Holt, Slavik, Landoll and Hutchinson. Staff members present were Cowan, Torbert, Reardon and Spiess. Representing Gallagher/Woodsmall were Kent Erwin and Jeanette Bales.

Board vacancies were discussed. Holt moved and Slavik seconded the motion that Doyle Alcorn be appointed to the board to fill out the unexpired term of Wes Moore.

Slavik moved and Landoll seconded the motion that Linda McHenry, Grant County clerk be recommended to the KAC board for their appointment to fill Marge Scheufler's vacant seat.

Jeanette Bales gave the claims report.

Ms. Bales requested settlement authority on claim #92-000023SE. Landoll moved and Slavik seconded the motion that Gallagher/Woodsmall be authorized to settle the claim based on the guidelines established by GW. Motion carried.

Ms. Bales gave a presentation to the board entitled "Litigation in Worker's Compensation" which described the procedural steps that would be followed with a litigated claim.

The claims report concluded at 10:45 a.m.

Jeanie Cowan gave the loss control report. Carl Eyeman and Bill Henry were not able to attend as they were involved in doing safety/loss control visits in western Kansas.

Tentative meeting dates for 1995 were set. They were March 30+31; May 4+5; June 15+16; August 10+11; October 12+13, November 15 and December 7.

Anne Spiess gave a legislative report. She noted that three bills had been filed dealing with pools: SB 93 (introduced by the Kansas Chamber of Commerce and Industry) SB 29 and SB 30. SB 29 only applied to Chapter 44 pools and KWORCC would not be affected by it. SB 30 related to Chapter 12 pools and thus would apply to KWORCC. Chapter 12 was introduced at the request of the Kansas Association of School Boards. KAC has indicated support for SB 29.

Jim Reardon reported on his activities. The meeting adjourned at 11:30 a.m.

Respectfully submitted,

John T. Torbert
Pool Administrator