

MINUTES
KWORCC BOARD OF TRUSTEES SPECIAL MEETING
CLUBHOUSE INN
TOPEKA, KANSAS
DECEMBER 5, 1996 -- 6:00 p.m.

KWORCC President Gayle Landoll called a special meeting of the KWORCC Board of Trustees to discuss personnel.

Board members present were:

Gayle Landoll, Marshall County Clerk
Ralph Unger, Decatur County Commissioner
Bonnie Swartz, Gray County Clerk
Doyle Alcorn, Jewell County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
George Schlesener, Dickinson County Commissioner
Charles Hutchison, Osage County Commissioner

George Schlesener moved and Bonnie Swartz seconded to adjust Ms. Cowan's salary with KCAMP contributing a higher proportion.

The meeting adjourned at 6:10 p.m.

Respectfully submitted,



Gayle Landoll
KWORCC President

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 1:35 p.m. on December 4, 1996.

Board members present were:

Gayle Landoll, Marshall County Clerk
Ralph Unger, Decatur County Commissioner
Bonnie Swartz, Gray County Clerk
Doyle Alcorn, Jewell County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
George Schlesener, Dickinson County Commissioner

Also present were:

Jeanie Cowan, Administrator, KCAMP/KWORCC
Richard Alexander, Accountant, KCAMP/KWORCC

Time was given to review the minutes from the Board meeting of October 16, 1996. Ralph Unger moved and Bobby Heitschmidt seconded to approve the minutes as written. The motion carried.

Jeanette Bales, Gallagher Woodsmall, Inc., KWORCC Adjuster, and Cliff Jones, KWORCC Adjuster, entered the meeting. Their presence was noted for the record.

Ms. Bales and Mr. Jones gave the claims report. Ralph Unger moved and Bonnie Swartz seconded to approve the claims report. The motion carried.

Charles Hutchison, Osage County Commissioner, entered the meeting at 2:25 p.m. His presence was noted for the record.

Ms. Bales and Mr. Jones completed the claims report at 2:35 p.m. and left the meeting. Their absence was noted for the record.

Richard Alexander presented the financial report for the month ending September and October.

Bobby Heitschmidt moved and Doyle Alcorn seconded to accept the financial report for September and October as presented. The motion carried.

Mr. Alexander completed the financial report at 2:50 p.m. and left the meeting. His absence was noted for the record.

Jeanie Cowan reviewed the expenditures, check register and credit card statements since the last board meeting of October 16, 1996. Bobby Heitschmidt moved and Doyle Alcorn seconded approval of the expenditures from check #1843 through check #1991. The motion carried.

Ms. Cowan further reviewed the newsletter, TopHealth, which will be sent to the Clerk of the member counties as a suggested payroll stuffer.

The Board suggested to go back to the old format of the KAC Conference. As a vendor, they did not feel KWORCC got its money's worth. In addition, the Board would like to see Wichita be the permanent location for the KAC Conference.

At 4:45 p.m., Gayle Landoll discussed the PRIMA meeting she, Kathy Bowman and Jeanie Cowan attended.

The meeting adjourned at 5:30 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jeanie Cowan". The signature is written in black ink and is positioned above the printed name and title.

Jeanie Cowan
Administrator

KANSAS COUNTY ASSOCIATION MULTILINE POOL
AND
KANSAS WORKERS RISK COOPERATIVE FOR COUNTIES

MINUTES

OCTOBER 17, 1996

SUN DOME, HUTCHINSON, KANSAS

The annual meeting of the Kansas County Association Multiline Pool (KCAMP) and the Kansas Workers Risk Cooperative for Counties (KWORCC) general membership meeting was held jointly at 1:00 p.m., October 17, 1996, at the Sun Dome, Hutchinson, Kansas. The KCAMP meeting was called to Order by KCAMP President Rosalie Seemann and the KWORCC meeting was called to Order by KWORCC President Gayle Landoll.

KCAMP board members present were:

President, Rosalie Seemann, Thomas County Clerk
Vice-President, Kathy Bowman, Pawnee County Commissioner
Secretary, John Delmont, Cherokee County Commissioner
Comptroller, Dale Sutton, Stevens County Commissioner
George Sprague, Jr., Leavenworth County Commissioner
Dallas Bressler, Morton County Commissioner
Don Kiper, Osborne County Commissioner

KWORCC board members present were:

President, Gayle Landoll, Marshall County Clerk
Vice-President, Ralph Unger, Decatur County Commissioner
Secretary, Bobby Heitschmidt, Ellsworth County Commissioner
Comptroller, Charles Hutchison, Osage County Commissioner
Bonnie Swartz, Gray County Clerk
Doyle Alcorn, Jewell County Commissioner
George Schlesener, Dickinson County Commissioner

Staff present were:

Jeanie Cowan, Administrator, KCAMP/KWORCC
Carl Eyman, Loss Prevention Representative, KCAMP/KWORCC
Charlene Sayles, Administrative Assistant, KCAMP/KWORCC

Also present were:

Kent Erwin, Senior Vice President, Gallagher Woodsmall
Marilyn Owens, Claims Service Representative, Gallagher Woodsmall

Rosalie Seemann recorded the roll call by counties and number present for KCAMP. Counties

present were as follows: Barber--1, Cherokee -- 2, Cloud -- 1, Decatur -- 1, Dickinson -- 1, Edwards -- 1, Ellsworth -- 2, Grant -- 1, Gray -- 1, Jewell -- 2, Leavenworth -- 1, Marshall -- 2, Miami --1, Mitchell -- 1, Morton -- 1, Osage --1, Osborne -- 1, Pawnee -- 1, Rawlins --1, Reno -- 3, Sheridan --1, Stevens -- 1 and Thomas --1.

Gayle Landoll recorded the roll call by counties and number present for KWORCC. Counties present were as follows: Barber --1, Cherokee --2, Cloud -- 1, Decatur --1, Dickinson --1, Edwards --1, Ellsworth --2, Grant --1, Gray --1, Jewell --2, Marshall --2, Miami --1, Mitchell --1, Morton -- 1, Norton --1, Osage --1, Osborne --1, Pawnee --1, Rawlins --1, Reno --3, Sheridan -- 1, Stevens -- 1 and Thomas --1.

Time was given to review the minutes of the Annual Membership Meeting held October 18, 1995:

Dallas Bressler, Morton County Commissioner, stated that the heading Sun Dome, Topeka, Kansas should be changed to Sun Dome, Hutchinson, Kansas.

Dallas Bressler moved and John Delmont seconded the motion that the minutes be approved as amended. Motion carried.

The minutes were approved. (No motion to accept the minutes was made.)

Rosalie Seemann and Gayle Landoll welcomed the membership to the annual meeting.

Dale Sutton, KCAMP comptroller, gave the financial report for KCAMP for all fund years as of September 1, 1996.

Charles Hutchison, KWORCC Comptroller, gave the financial report for KWORCC for all fund years as of September 1, 1996.

Doyle Alcorn, Jewell County Commissioner, moved and Ralph Unger, Decatur County Commissioner, seconded to accept the financial report for both KCAMP and KWORCC as presented by the comptrollers. The motion carried.

Barbara Girard, Attorney, Johnson & Kennedy law firm, discussed the Attorney Assist Program,

Carl Eyman, Loss Prevention Representative, reviewed the loss prevention program. Further, Mr. Eyman reported on the Defensive Driving Program that KCAMP and KWORCC will be offering to member counties. He encouraged those in attendance to contact him regarding DDC classes.

Carl Eyman presented the Safety Awards for policy year 1995.

KCAMP Safety Awards were presented to the following member counties:

First -- Sheridan County
Second -- Jewell County

Third -- Mitchell County
Honorable Mention -- Cloud County
Honorable Mention -- Grant County
Honorable Mention -- Gove County
Honorable Mention -- Ellsworth County

KWORCC Safety Awards were presented to the following member counties:

First -- Elk County
Second -- Jewell County
Third -- Norton County
Honorable Mention -- Marshall County
Honorable Mention -- Thomas County
Honorable Mention -- Decatur County
Honorable Mention -- Barber County

President Seemann discussed elections of Board Members. She informed the membership that Dallas Bressler, John Delmont and Dale Sutton would be retiring their seats on the Board of Trustees. She also informed the members that her term on the Board was up and that she was running for re-election.

The following individuals were nominated to serve on the KCAMP Board of Trustees for the two-year term beginning January 1, 1997.

Stanley Rogers, Sheridan County Commissioner
Rosalie Seemann, Thomas County Clerk (Incumbent)
Pam Meadows, Edwards County Clerk
Meredith Hrnchir, Rawlins County Clerk
John L. Green, Cherokee County Commissioner
Eldon Christesen, Osage County Commissioner

Stanley Rogers, Sheridan County Commissioner, declined his nomination.

Nominations were taken from the floor. Kathy Bowman, Pawnee County Commissioner, moved and Bobby Heitschmidt, Ellsworth County Commissioner, seconded to add Ralph Dick, Barber County Commissioner to the KCAMP Board of Trustees nomination.

Ralph Unger, Decatur County Commissioner, moved and George Schlesener, Dickinson County Commissioner, seconded to cease nominations. *for the KWORCC Board positions open.* The motion carried.

Ballots were distributed to each KAMP voting delegate present. The ballots were collected and counted by the following members: Genie Long, Marshall County Commissioner, Linda McHenry, Grant County Clerk and John Stover, Jewell County Commissioner.

President Seemann presented the results to the membership. The following individuals were elected to serve a two year term on the KCAMP Board of Trustees beginning January 1, 1997:

Rosalie Seemann, Thomas County Clerk (Incumbent)
Pam Meadows, Edwards County Clerk
Meredith Hrnchir, Rawlins County Clerk
Ralph Dick, Barber County Commissioner

President Landoll reviewed the individuals running for the positions on the KWORCC Board of Trustees. They are as follows:

Gayle Landoll, Marshall County Clerk (Incumbent)
Bonnie Swartz, Gray County Clerk (Incumbent)
Bobby Heitschmidt, Ellsworth County Commissioner (Incumbent)
Charles Hutchison, Osage County Commissioner (Incumbent)

Dallas Bressler, Morton County Commissioner, moved and Genie Long, Marshall County Commissioner, seconded to accept the nominees as the KWORCC Board members. The motion carried.

Ralph Unger, Decatur County Commissioner, moved and Bobby Heitschmidt, Ellsworth County Commissioner, seconded the KCAMP ballots be destroyed. The motion carried.

Jeanie Cowan presented the Administrator's report. She reviewed the 1997 Estimated Annual Operating Expenses for KCAMP/KWORCC. The information presented contains the administration expenses as well as the claims administration expenses for the upcoming year.

Joe Stucky, Reno County Commissioner, wanted to clarify the budget reflects an approximated savings of \$518,000 from the previous fund year.

Charles Hutchison, KWORCC Comptroller, reviewed the proposed KWORCC Budget for 1997.

Ralph Unger, Decatur County Commissioner, moved and George Schlesener, Dickinson County Commissioner, seconded to adopt the Proposed KWORCC Budget for 1997. The motion carried.

Dallas Bressler, Morton County Commissioner, moved and John Delmont, Cherokee County Commissioner, seconded to adopt the proposed KCAMP/KWORCC 1997 Administrative Budget. The motion carried.

Dale Stevens, KCAMP Comptroller reviewed the proposed KCAMP Budget for 1997.

Kathy Bowman, Pawnee County Commissioner, moved and Joe Stucky, Reno County Commissioner, seconded to adopt the Proposed KCAMP Budget for 1997. The motion carried.

Ms. Cowan introduced the pool staff and then asked the Board members if they had comments.

Dale Sutton, Stevens County Commissioner, mentioned Stevens County accepted bids for insurance this year and the pools were approximately \$50,000 less and with better coverage.

Kathy Bowman, Pawnee County Commissioner, related a comment from Kathleen Sebelius, Kansas Insurance Commissioner, regarding the successful progress the pools have made.

Ralph Unger, Decatur County Commissioner, reminded the members the competitors cannot offer a product as thorough as KCAMP/KWORCC. Furthermore, the equity being held by the pools is well over one million dollars. He challenged members to be proud of the efforts and service of the pools.

President Landoll gave her closing remarks.

President Seemann asked the membership for any comments.

Joe Stucky, Reno County Commissioner, commended Jeanie Cowan, the Board and staff for their hard work.

President Seemann gave her closing remarks. She gave thanks to John Delmont and Dallas Bressler for their years of service on the KCAMP Board, as well as Dale Sutton for his hard work this past term.

Dallas Bressler, Morton County Commissioner, moved and Bobby Heitschmidt, Ellsworth County Commissioner, seconded to have the membership meeting at the same place and approximate time of year for 1997. The motion carried.

Joe Stucky, Reno County Commissioner, moved and Doyle Alcorn, Jewell County Commissioner, seconded to adjourn the KCAMP meeting. The motion carried.

Ralph Unger, Decatur County Commissioner, moved and George Schlesener, Dickinson County Commissioner, seconded to adjourn the KWORCC meeting. The motion carried.

The meeting adjourned at 3:25 p.m.

Respectfully submitted,

Charlene Sayles
Administrative Assistant

MINUTES
KWORCC BOARD OF TRUSTEES
SUN DOME
HUTCHINSON, KANSAS

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 2:30 p.m. on October 16, 1996.

Board members present were:

Gayle Landoll, Marshall County Clerk
Ralph Unger, Decatur County Commissioner
Bonnie Swartz, Gray County Clerk
Doyle Alcorn, Jewell County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
George Schlesener, Dickinson County Commissioner
Charles Hutchison, Osage County Commissioner

Also present were:

Jeanie Cowan, Administrator, KCAMP/KWORCC
Kent Erwin, Vice President, Gallagher Woodsmall, Inc.
Carl Eyman, Loss Prevention Representative, KCAMP/KWORCC
Florence Whitebread, Geary County Commissioner

Time was given to review the minutes from the Board meeting of September 13, 1996. Bobby Heitschmidt moved and Doyle Alcorn seconded to approve the minutes as written. The motion carried.

Doyle Alcorn moved and Ralph Unger seconded to accept the financial report for August as presented by Kent Erwin and Jeanie Cowan. The motion carried.

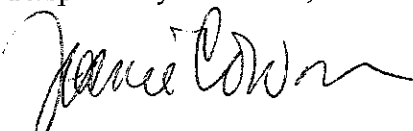
Kent Erwin discussed the advance discount table.

George Schlesener moved and Bonnie Swartz seconded to approve the advance discount table with amendments, attached hereto and incorporated herein as Attachment A. The motion carried.

Ms. Cowan reviewed the proposed 1997 operating budget for KWORCC along with the pool budget for 1997. George Schlesener and Ralph Unger seconded to approve the proposed 1997 budgets. The motion carried.

George Schlesener moved and Ralph Unger seconded to adjourn the meeting at 5:30 p.m. The motion carried.

Respectfully submitted,



Jeanie Cowan
Administrator

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 9:00 a.m. on September 13, 1996.

Board members present were:

Gayle Landoll, Marshall County Clerk
Ralph Unger, Decatur County Commissioner
Bonnie Swartz, Gray County Clerk
Doyle Alcorn, Jewell County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
George Schlesener, Dickinson County Commissioner

Also present were:

Jeanie Cowan, Administrator, KCAMP/KWORCC
Kent Erwin, Vice President, Gallagher Woodsmall, Inc.
Carl Eyman, Loss Prevention Representative, KCAMP/KWORCC
Barbara Girard, Johnson & Kennedy law firm
Charlene Sayles, Administrative Assistant, KCAMP/KWORCC

Charles Hutchison was not present.

Barbara Girard reported to the Board of Trustees on the Attorney Assist program and the number and type of calls received for the past month. She answered questions from the Board regarding various issues.

Barbara Girard finished her report at 9:53 a.m. and left the meeting. Her absence was noted for the record.

Jeanette Bales, Senior Workers Compensation Adjuster, Gallagher Woodsmall, and Cliff Jones, Multiline Adjuster, Crawford & Company, joined the meeting at 9:55 a.m. Their presence was noted for the record.

Jeanette Bales gave the claims report on claims over \$10,000. She completed her report at 10:26 a.m.

Jeanette Bales and Cliff Jones left the meeting at 10:30 a.m. Their absence was noted for the record.

Carl Eyman gave the loss prevention report. He reviewed the activities and meetings since the last board meeting, the ITS meetings regarding future transportation changes and the status of county visits to the pool membership. He finished his report at 10:45 a.m.

Bobby Heitschmidt moved and Doyle Alcorn seconded to approve the claims report and loss prevention report as presented. The motion carried.

The Board took a short break and reconvened at 11:00 a.m.

Carl Eyman left the meeting during the break. His absence was noted for the record.

Richard Alexander entered the meeting during the break. His presence was noted for the record.

Time was given to review the minutes from the Board meeting of August 15. Bobby Heitschmidt moved and George Schlesener seconded to approve the minutes as written. The motion carried.

George Schlesener moved and Ralph Unger seconded to excuse Charles Hutchison from the meeting. The motion carried.

Richard Alexander gave the financial report for July. He finished his report at 11:25 a.m.

Doyle Alcorn moved and Ralph Unger seconded to accept the financial report as stated. The motion carried.

Richard Alexander left the meeting at 11:30 a.m. His absence was noted for the record.

Jeanie Cowan reviewed the expenditures and check register since the last board meeting of August 15. Ralph Unger moved and Bobby Heitschmidt seconded approval of the expenditures from check #1786 through check #1842. The motion carried.

Jeanie Cowan discussed with the Board the status of bringing the claims administration in-house. The Board expressed their full support and commitment to this decision.

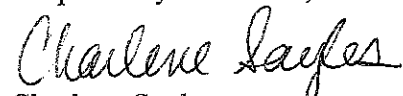
The Board took a break for lunch and reconvened at 1:35 p.m.

Jeanie Cowan discussed the promotional giveaways being ordered for the KCAMP/KWORCC Membership Meeting and the booth at the Vendor Trade Fair at the KAC Annual Conference to be held in Wichita in November.

Doyle Alcorn left the meeting at 1:40 p.m. His absence was noted for the record.

Bobby Heitschmidt moved and Bonnie Swartz seconded to adjourn the meeting at 2:30 p.m. The motion carried.

Respectfully submitted,


Charlene Sayles
Administrative Assistant

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 9:05 a.m. on August 15, 1996.

Board members present were:

Gayle Landoll, Marshall County Clerk
Ralph Unger, Decatur County Commissioner
Charles Hutchison, Osage County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
Doyle Alcorn, Jewell County Commissioner

Also present were:

Jeanie Cowan, Administrator, KCAMP/KWORCC
Kent Erwin, Gallagher Woodsmall, Inc.
Jeanette Bales, Gallagher Woodsmall, Inc.
Richard Alexander, Accountant, KCAMP/KWORCC
Charlene Sayles, Administrative Assistant, KCAMP/KWORCC

Jeanette Bales gave the claims report. She finished her report at 9:45 a.m. Bobby Heitschmidt moved and Ralph Unger seconded to accept the claims report as presented.

Time was given to review the minutes. Bobby Heitschmidt moved and Doyle Alcorn seconded to accept the minutes as written. The motion carried.

Bobby Heitschmidt moved and Doyle Alcorn seconded to excuse Bonnie Swartz and George Schlesener from the meeting. The motion carried.

Richard Alexander reviewed the financial report for June. He finished his report at 10:25 a.m.

Ralph Unger moved and Bobby Heitschmidt seconded to accept the financial report as presented. The motion carried.

Chris Thompson entered the meeting at 10:20 a.m. His presence was noted for the record.

Chris Thompson, County Club Bank, reviewed the investments currently held at CCB and possible swap options. By consensus, the Board agreed to leave investments as they are for the present.

Mr. Thompson finished his report at 11:55 a.m. and left the meeting. His absence was noted for the record.

Jeanie Cowan reviewed the retirement package with the Board.

Bobby Heitschmidt moved and Doyle Alcorn seconded to adopt the PEBSCO retirement plan with a five year vestry. The motion carried.

By consensus, the Board meeting for September 12-13 will be moved to September 13 beginning at 8:30 a.m.

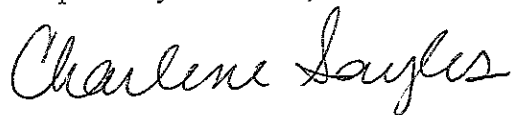
The Board took a break for lunch and resumed the meeting at 2:00 p.m.

Jeanie Cowan reviewed the correspondence since the last board meeting.

Jeanie Cowan reviewed the expenditures and check register since the last board meeting. Ralph Unger moved and Charles Hutchison seconded approval of the expenditures from check #1734 through check #1785. The motion carried.

Doyle Alcorn moved and Bobby Heitschmidt seconded to adjourn the meeting at 2:22 p.m. The motion carried.

Respectfully submitted,



Charlene Sayles
Administrative Assistant

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 1:15 p.m. on July 11, 1996.

Board members present:

Gayle Landoll, Marshall County Clerk
Bonnie Swartz, Gray County Clerk
George Schlesener, Dickinson County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
Doyle Alcorn, Jewell County Commissioner

Also present were:

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

Ralph Unger was not present at the meeting. His absence was noted for the record.

Time was given to review the minutes. Bobby Heitschmidt moved and George Schlesener seconded to approve the minutes as written. The motion carried.

Jeanette Bales entered the meeting at 1:28 p.m. Her presence was noted for the record.

Jeanette Bales gave the claims report. She finished her report at 2:05 p.m. and left the meeting. Her absence was noted for the record.

The Board reviewed present Board members up for re-election in their respective county office as well as their position on the KWORCC Board.

Jeanie Cowan reviewed the Pool's Annual Conference to be held at 1:30 p.m. on October 17 at the Sun Dome in Hutchinson, Kansas.

Charles Hutchison entered the meeting at 3:00 p.m. His presence was noted for the record.

The Board took a break and continued the meeting at 3:30 p.m.

Richard Alexander joined the meeting at 3:30 p.m. His presence was noted for the record.

Richard Alexander reviewed the financial report for May. He finished his report at 4:50 p.m.

Bobby Heitschmidt moved and George Schlesener seconded to accept the financial report as presented. The motion carried.

Jeanie Cowan discussed the seminar being sponsored by the pools for elected officials. Kyle Smith, Kansas Bureau of Investigation, notified Jeanie Cowan that Attorney General Stovall had suggested the seminar be postponed until the election was completed. The Board elected to continue planning the seminar for August 14, 1996 in Salina, Kansas.

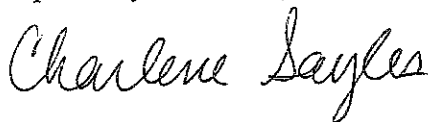
Jeanie Cowan reviewed the status of the ATTORNEY ASSIST program which has been very successful. She mentioned the questions and concerns being received have been covering a broad range of the legal field.

Jeanie Cowan reviewed the expenditures and check register since the last board meeting. George Schlesener moved and Bobby Heitschmidt seconded approval of the expenditures from check #1688 through check #1733. The motion carried.

Bobby Heitschmidt moved and Charles Hutchison seconded to excuse Ralph Unger from the July 11, 1996 Board meeting for personal reasons. The motion carried.

Bonnie Swartz moved and Bobby Heitschmidt seconded to adjourn the meeting at 5:20 p.m. The motion carried.

Respectfully submitted,

A handwritten signature in cursive script that reads "Charlene Sayles".

Charlene Sayles
Administrative Assistant

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 1:48 p.m. on June 13, 1996.

Board members present:

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

Also present were:

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

Time was given to review the minutes. Ralph Unger moved and Bobby Heitschmidt seconded to approve the minutes as written. The motion carried.

Richard Alexander gave the financial report for April.

Doyle Alcorn mentioned his county was very pleased with the quarterly newsletter sent to the county members with the financial report and minutes for the first quarter.

Richard Alexander discussed the first quarter financial report filed with the Kansas Insurance Department. He informed the Board he will be meeting with Stacey Friedlund from Coopers & Lybrand on Monday, July 17, regarding the audit they performed and changes needed to correct their report.

Jeanie Cowan reviewed the letter with statement and copy of check for the audit sent to Dale Schaefer regarding payment of the audit.

Richard Alexander finished his report at 3:15 p.m.

George Schlesener moved and Bobby Heitschmidt seconded to accept the financial report as presented. The motion carried.

Richard Alexander and Kent Erwin left the meeting at 3:25 p.m. Their absence was noted for the record.

The Board took a short break and reconvened at 3:45 p.m.

Jeanie Cowan reviewed the expenditures and check register since the last board meeting. Bobby Heitschmidt moved and Doyle Alcorn seconded approval of the expenditures from check #1632 through check #1687. The motion carried.

Jeanie Cowan presented to the Board a Statement of Support from the Gray County Commissioners requesting Bonnie Swartz to serve as a KWORCC Board of Trustee member. Charles Hutchison moved and Doyle Alcorn seconded to appoint Bonnie Swartz as the new KWORCC Board of Trustee member effective June 15, 1996, to fill the unexpired term of Carol Slavik. The motion carried.

Jeanie Cowan reviewed the correspondence since the last board meeting.

Jeanie Cowan informed the Board she would be meeting with Beth Miller next week regarding the retirement plan for the pool employees.

Jeanie Cowan further reviewed the seminar regarding potential criminal and civil liability exposure for elected officials serving in public office to be held August 14, 1996, at 1:00 p.m. in Salina, Kansas. Kyle Smith, Kansas Bureau of Investigation, and a representative addressing civil law will be the speakers at the seminar. The meeting will be open to all elected officials in the state of Kansas.

Jeanie Cowan reviewed the ATTORNEY ASSIST program effective July 1, 1996, through the year end. Barbara Girard will track the activity of the program in assisting the pools in further evaluation and possible continuance of the program.

Jeanie Cowan discussed the PRIMA Pooling Section Advisory Standards Recognition. She is in the process of completing the application for certification. In addition, she has been asked to speak at the National PRIMA Conference in August.

The Board felt any support or assistance she could offer to other pools would be beneficial. Ralph Unger moved and Bobby Heitschmidt seconded Jeanie Cowan accept the invitation to speak at the National PRIMA Administrator's Conference in Florida being held in August with Board encouragement. The motion carried.

Jeanie Cowan reviewed the KCAMP quarterly newsletter with the minutes and financial report from the first quarter.

Jeanie Cowan provided explanation regarding the extension agents throughout various counties who have been requesting coverage under the county's insurance. For clarification, she contacted Jim Lindquist at Kansas State University's extension office. He explained to her the attorney for the

extension office had informed the extension agents and staff to purchase liability coverage for themselves and their boards. It was interpreted by some extension agents to mean the counties would provide this coverage which is not the case.

Ralph Unger moved and George Schlesener seconded to recess the meeting until June 14, 1996, at 8:30 a.m. The motion carried.

At 8:45 a.m., June 14, 1996, Gayle Landoll advised the Board the time for recess had expired and the KWORCC Board meeting reconvened.

Charles Hutchison was not present. His absence was noted for the record.

Jeanette Bales joined the meeting at 8:55 a.m. to give the claims report. Her presence was noted for the record.

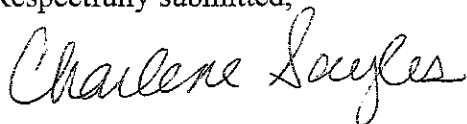
Kent Erwin left the meeting at 8:55 a.m. His absence was noted for the record.

Jeanette Bales finished the claims report at 9:20 a.m. and left the meeting. Her absence was noted for the record.

Jeanie Cowan informed the Board of various counties requesting she attend their department head meetings and/or commissioners meetings. She also reviewed counties who have shown interest in more information regarding the pools.

George Schlesener moved and Bobby Heitschmidt seconded to adjourn the meeting at 10:05 a.m. The motion carried.

Respectfully submitted,

A handwritten signature in cursive script that reads "Charlene Sayles".

Charlene Sayles
Administrative Assistant

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 1:20 p.m. on May 16, 1996.

Board members present:

Gayle Landoll, Marshall County Clerk
Carol Slavik, Ottawa County Clerk
George Schlesener, Dickinson County Commissioner
Bobby Heitschmidt, Ellsworth County Commissioner
Doyle Alcorn, Jewell County Commissioner

Also present were:

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

Time was given to review the minutes. On page 1, Charles Hutchison, Osage County Commissioner, should be added to the list of board members present. On page 1, paragraph 2, the date of March 8 should be April 19. On page 2, paragraph 11, Richard Alexander gave the financial report not the claims report. Bobby Heitschmidt moved and Doyle Alcorn seconded to approve the minutes as amended. The motion carried.

Richard Alexander gave the financial report for March.

Ralph Unger entered the meeting at 1:30 p.m. His presence was noted for the record.

Richard Alexander further reviewed KWORCC's first quarter report filed with the Kansas Insurance Department.

Carol Slavik moved and Bobby Heitschmidt seconded to accept the financial report as presented. The motion carried.

Richard Alexander finished his report at 2:30 p.m.

Carol Slavik moved and Ralph Unger seconded the board enter Executive Session with Jeanie Cowan and Kent Erwin to discuss non-elected personnel for fifteen minutes. The motion carried. The time was 2:40 p.m.

Charles Hutchison entered the meeting at 2:45 p.m. His presence was noted for the record.

The Board came out of Executive Session at 2:55 p.m. No action was taken.

The Board took a short break and reconvened at 3:13 p.m.

Jeanie Cowan mentioned that she has spoken with Kyle Smith, Kansas Bureau of Investigation, with regard to his speaking at a seminar for Kansas county officials regarding civil and criminal liability in serving the public. She mentioned several dates Mr. Smith was available. The Board decided on August 14. Jeanie Cowan will search for a place to hold the conference.

The Board discussed having Board education regarding the actuarial report at a future board meeting. Ms. Cowan felt it would be helpful to invite Steve Skov, the actuary for KWORCC to a Board meeting.

Jeanie Cowan discussed a letter sent to Marty Hazen at the Kansas Insurance Department in response to a complaint filed against KWORCC by Comanche County. She further mentioned Mr. Hazen responded to her letter and the case has been closed at the Department. The Board discussed ways of handling volunteers throughout the membership as stated in the Commissioner's Bulletin No. 1995-10.

Kent Erwin reviewed the Directors & Officers Liability Proposal with the Board. Carol Slavik moved and Ralph Unger seconded to accept the Directors & Officers Liability proposal as presented. The motion carried.

Jeanette Bales gave the claims report at 4:40 p.m. She finished her report at 5:05 p.m.

Jeanie Cowan thanked Gayle Landoll, Carol Slavik and Rosalie Seemann for their help at the Clerks' Conference as well as Doyle Alcorn who helped at the Conference held in Salina.

Jeanie Cowan reviewed the expenditures, check register and credit card expenses since the last board meeting. Ralph Unger moved and George Schlesener seconded approval of the expenditures from check #1559 through check #1631 and check #1501 with exception to check #1625 which was voided. The motion carried.

Gayle Landoll read the resignation letters from Carol Slavik and Linda McHenry. Ralph Unger moved and Bobby Heitschmidt seconded to accept the resignation letters with regret. The motion carried.

Gayle Landoll presented Carol Slavik with a gift from the KWORCC Board and staff.

Ralph Unger moved and Bobby Heitschmidt seconded to recess the meeting until May 17, 1996, at 9:00 a.m. The motion carried.

At 9:12 a.m., May 17, 1996, Gayle Landoll advised the Board the time for recess had expired and

the KWORCC Board meeting reconvened.

Carol Slavik was not present. Her absence was noted for the record.

Ralph Unger moved and George Schlesener seconded to elect Bobby Heitschmidt as secretary in place of Carol Slavik. The motion carried.

Beth Miller, PEBSCO, gave a presentation on a 401A retirement program sponsored by PEBSCO and endorsed by NACO at 9:35 a.m. She finished her report at 10:05 a.m and left the meeting. Her absence was noted for the record.

Ralph Unger moved and Bobby Heitschmidt seconded to set up a retirement program with PEBSCO for the KCAMP/KWORCC employees. The motion carried.

The Board discussed the board vacancy. The Board elected to have Gayle Landoll extend an invitation to Bonnie Swartz, Gray County Clerk, to fill the vacancy on the Board.

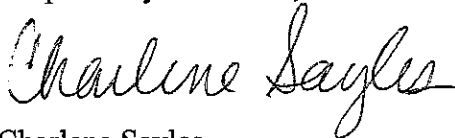
Carl Eyman reviewed the loss prevention activities since the last board meeting. He finished his report at 10:55 a.m. and left the meeting. His absence was noted for the record.

Jeanie Cowan reviewed the Claims Service and Brokerage Agreement between the pools and Gallagher Woodsmall, Inc. Jeanie Cowan pointed out the significant changes made to the 1996 contract.

Bobby Heitschmidt moved and Charles Hutchison seconded to accept the contract as presented and gave Ms. Cowan authority to sign the contract upon the completion of Gallagher Woodsmall, Inc.'s, review of the proposed agreement if no significant changes were made by same. The motion carried.

Ralph Unger moved and Bobby Heitschmidt seconded to adjourn the meeting at 11:20 a.m. The motion carried.

Respectfully submitted,



Charlene Sayles
Administrative Assistant

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 1:40 p.m. on April 18, 1996.

Board members present:

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

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. George Schlesener moved and Ralph Unger seconded to approve the minutes of March 7-8, 1996. The motion carried.

Jeanie Cowan informed the board Richard Alexander would present the financial report April 19.

Jeanie Cowan reviewed the expenditures, check register and credit card expenses since the last board meeting. Ralph Unger moved and George Schlesener seconded approval of the expenditures from check #1452 through check #1558. The motion carried.

Jeanie Cowan reviewed the correspondence.

Due to the changes in personnel at Gallagher Woodsmall, Inc., a new signature card and resolution were prepared for Board review. Doyle Alcorn moved and Bobby Heitschmidt seconded to approve the new resolution and signature card as presented. The motion carried. Gayle Landoll, president and Carol Slavik, secretary, signed the resolution and signature cards.

The Board took a short break and reconvened at 3:15 p.m.

Jeanie Cowan reviewed the Annual Audit for 1995 prepared by Coopers & Lybrand. The audit along with additional information to meet the annual filing requirements of the Kansas Insurance

Department were hand delivered to the Department by Ms. Cowan on April 1, 1996.

Ralph Unger moved and Bobby Heitschmidt seconded to enter Executive Session for 15 minutes to discuss non-elected personnel. The motion carried. The time was 4:20 p.m.

The Board came out of Executive Session at 4:35 p.m. No action was taken.

George Schlesener moved and Ralph Unger seconded to recess the meeting until April 19, 1996, at 9:00 a.m. The motion carried.

At 9:07 a.m., April 19, 1996, Gayle Landoll advised the Board the time for recess had expired and the KWORCC Board meeting reconvened. Joining the meeting at this time were Jeanette Bales, Gallagher Woodsmall, Inc., and Carl Eyman, Loss Prevention Representative, KCAMP/KWORCC.

Jeanette Bales gave the claims report at 9:08 a.m. She finished her report at 9:45 a.m.

Carl Eyman, Loss Prevention Representative, reviewed the loss prevention activities and meetings he attended since the last board meeting. He finished his report at 10:05 a.m.

Richard Alexander entered the meeting at 10:06 a.m. His presence was noted for the record.

Jeanette Bales left the meeting at 10:06 a.m. Her absence was noted for the record.

Carol Slavik moved and Bobby Heitschmidt seconded the poster subscription be extended for three months and call the program a learning experience. The motion carried.

Carl Eyman left the meeting at 10:15 a.m. His absence was noted for the record.

Richard Alexander gave the financial report at 10:15 a.m. Carol Slavik moved and Linda McHenry seconded to accept the financial report for January and February as presented. The motion carried.

Richard Alexander finished his report at 10:32 a.m.

For the record, the Board was extremely pleased with the format and content of the financial reports and the effort Richard Alexander put into the preparation of same.

Jeanie Cowan discussed the newsletter to be sent to the member counties. The newsletter will contain the first quarter financial report; entire minutes for January, February and March; annual audit prepared by Coopers & Lybrand; a newsletter regarding activities concerning the pool and a cover letter prepared by the KWORCC President, Gayle Landoll.

Linda McHenry moved and Ralph Unger seconded KWORCC President, Gayle Landoll, prepare the cover letter for the member counties regarding the information to be sent to the member counties. The motion carried.

Jeanie Cowan mentioned KCAMP/KWORCC would have a booth at the Clerk's Conference being held May 1-2 in Salina at the Holiday Inn. In addition, Gayle Landoll would speak on behalf of KWORCC. Charles Hutchison moved and Bobby Heitschmidt seconded for Jeanie Cowan to purchase candy from Russell Stover's for the Clerk's Conference on behalf of the pools. The motion carried.

Jeanie Cowan mentioned the loss prevention manuals and policy manuals will be going out within the next two weeks to the member counties.

The Board took a short break and reconvened at 11:15 a.m.

Kent Erwin reviewed the excess insurance coverage carried by the pools for 1996.

Jeanie Cowan dispersed the proposal submitted by Barbara Girard for assisting member counties with legal questions.

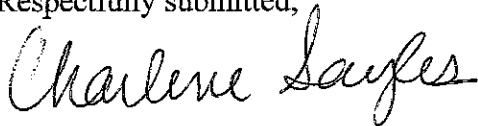
Bobby Heitschmidt moved and Linda McHenry seconded to accept the proposal submitted by Barbara Girard.

Ralph Unger moved and Carol Slavik seconded to amend Bobby Heitschmidt's motion to include on a trial basis to the end of the year. The motion carried.

Jeanie Cowan informed the Board that Bill Henry's, Loss Prevention Representative, last day of employment with KCAMP and KWORCC was March 29, 1996. Mr. Henry's position was abolished as a decision by the Board to further help cut expenses.

Carol Slavik moved and Ralph Unger seconded to adjourn the meeting at 12:00 p.m. The motion carried.

Respectfully submitted,

A handwritten signature in cursive script that reads "Charlene Sayles".

Charlene Sayles
Administrative Assistant

MINUTES
MEMBERSHIP MEETING
KANSAS MUSEUM OF HISTORY
TOPEKA, KANSAS

Dallas Bressler called the meeting to order at 1:05 p.m. He introduced himself and the Boards introduced themselves to the membership. He turned the meeting over to the representatives from Coopers and Lybrand.

Larry Morriss, Coopers & Lybrand, introduced himself and gave a brief overview of the company, Coopers & Lybrand. He introduced Lorraine Purtree and Lee Knight, the individuals who worked on the forensic audit. He gave a brief overview of the chronology of events. Five months ago, Mr. Morris met with Jeanie Cowan and Bruce Woner regarding the situation between the pools and KAC. Preliminary interviews, meetings and work plans were started and it was decided that cash flow for certain accounts would be investigated. He described that getting the information needed to complete the audit was very difficult. Work was stopped at one point due to the fact that the auditors were unable to receive information needed which they had requested from KAC, but which had not been provided. A procedure was established to get the information needed from the KAC and the pools. After the procedure was established, it was still very difficult to receive the information needed from the KAC. The audit results indicated 1.) there was a lack of control over expenses; 2.) an over allocation of expenses charged to the pools; and, 3.) finally, a separation from KAC would lead to a possible benefit financially for the pools. He then turned the meeting over to Lee Knight.

Lee Knight told the members to follow along with the reports passed out at the beginning of the meeting as he led them through the presentation.

Mr. Knight began with a background on the pools. KCAMP provides liability insurance and KWORCC provides the workers compensation insurance for member counties. Both pools fell under the jurisdiction of the KAC. Under these agreements, John Torbert, signed as the Director of KAC and also signed as the Administrator of the Pools. It was determined that the pools would pay an administrative fee annually. \$260,000 each for 1994 and \$280,000 each for 1995. Since 1993, the pool Boards have been trying to get meaningful financial data from the KAC. Due to lack of access to this information, the pools decided to implement a forensic audit to find out how pool money was being spent.

It was determined to investigate "Proofs of Cash", expense accounts, personal transactions, expense allocation to pools and pools' administrative costs. He mentioned that KAC had their checkbooks and also held the checkbooks of the pools.

The internal controls for KAC could have been better to make sure assets were not misused or mismanaged. There were policies in place, however, were ignored at times. For example, John Torbert would make out an expense report, sign his own expense report and sign the check for reimbursement of these expenses. MasterCard were issued to employees of the KAC.

Future savings. There is about a \$125,000 savings for each pool after one year by separating KCAMP/KWORCC from KAC.

Conclusions.

Recommendations. It is recommended that the pools establish independence from the KAC. Furthermore, reasonable accounting practices need to be established to protect the pools from what happened to the KAC.

Travel Log and proposed Expense report.

Mr. Knight concluded his presentation and answered questions from the floor.

It was decided everyone would like a copy of the contract agreement between the pools and KAC.

It was questioned whether anything in the agreement allowed for payment of extra expense beyond the annual fee. If not, why didn't the pool Boards stop making payments to the KAC.

Bruce Woner introduced himself to the membership and answered questions with Lee Knight. He answered that the pool Boards took responsibility for not doing that sooner.

A question was raised regarding the gag order in place.

Bruce Woner did not know of any gag order, other than the one allegedly in place over the contract between John Torbert and the signors of his termination agreement.

Dudley Feuerborn asked if he could address the gag order. He said he would accept responsibility for the chaos arriving over the gag order. There was no gag order in place. He had been told that there was a gag order by people he had put his trust and faith in. There is not and never was any gag order. The KAC Board was advised not to discuss it.

Bruce Woner came back to the questions arising over the decision by legal counsel not to have the Boards discuss any information. He related the chronology of events upon first becoming associated with the pool situation. In reality, it took thirty days to secure the pool money. Then came the day that the KAC would not turn over the pool money, but instead, wanted Beverly Bradley to be a signor on pool checks. At that point, Annette Fiedler told Lee Knight that she would not provide any information to Coopers & Lybrand. Following this incident, Mr. Woner said he would file an interpleader on the Bank the following Monday if the funds were not released. KAC, by phone conference, corrected two wrongs, by allowing the release of the pool's money and trying to correct the mess being made by the KAC staff. The point is that good people working as hard as they could did not know what they had their hands on until May.

In the future, where are the pools going. What direction and safeguards are going to be put in place.

However, KAC would receive the bill from MasterCard and pay it. Therefore, it was possible for employees to charge personal items on the credit cards and create an accounts receivable for KAC. For example, John Torbert had more than \$3000 without receipts for dining on his MasterCard. In addition, Mr. Torbert charged a meal for \$107 on his MasterCard which was paid by the KAC and then he put this \$107 dinner on his expense report for reimbursement leading to a double reimbursement.

Additionally, when the pools were trying to gain control of their monies, it was discovered that the bank had KAC's FEIN on the pool bank accounts.

KAC paid \$1,300 per month for lease agreements on three cars. They owned only one vehicle.

KAC also had questionable realty transactions. The auditors could not locate closing statements for the two sales of the buildings before the purchase of the building on 215 8th Street. The loss on the second building was \$95,000. At closing there was a check written to Jack Breyer for \$10,000 and no 1099 was issued.

KAC travel allocations. Reimbursements were made with no receipts, no supervisor's approval, self approval, MasterCard finance charges were paid from the travel account and allocated to the pool accounts. Many meals did not have a business purpose listed and many did not have individuals attending the dinner listed.

KAC Board Meeting travel. People approved their own expenses.

Payroll and fringe benefits. It was found that two upper management people of KAC received cash rather than health benefits. However, this option was not offered to all employees of the KAC.

John Torbert's MasterCard and cash transactions. He approved his own expense reports. Some expenses were written down as telephone expense with no receipt. It was discovered that one expense logged this way had gone to pay for tickets to the production Ms. Saigon at the Kennedy Center. Mr. Torbert spent \$27,840 on his MasterCard. The largest expenditure was meals. Lodging was also a large expenditure. Many charges were for bars and liquors. Several were not able to be accounted for by the auditors.

The termination contract. Mr. Torbert was given \$1500 to sign the contract and \$100,000 for one year. Under the agreement, it was worded that he would be an independent contractor for the KAC. If KAC broke the contract, there would be a \$27,000 liquidation fee.

Expense allocations to the pools. A survey was conducted on employee time spent on pool work and during that 15-month period it was determined that the pools were overcharged \$136,000.

Excess expenses charged to pools. \$45,000 was overcharged the pools for monies that could have been paid under the administration fee.

Bruce Woner answered that investments would continue to be placed at Country Club Bank and other recommendations made in the document presented by Coopers & Lybrand would be established.

A corrective action plan is in the works to present to the Kansas Insurance Department. As it develops, it will possibly be presented to the membership at the time of the Pool Annual Conference.

Bobby Heitschmidt presented the figures of monies held for KWORCC in the Country Club Bank and Bank IV.

It was asked how we were going to avoid problems that arose in the past from happening again.

It was asked how the Boards could have continued to allow monies to be taken from the pools without asking for the proper information.

It was explained that the Boards were asking for information, but none of it ever made any sense.

It was asked what the current equity position is for the pools. Furthermore, it was asked how the rates were set up.

Kent Erwin answered by explained how the rates were set up and put in place. In reality, the counties paid three years premiums with no increase, due to an error in explaining premiums to the counties.

It was asked that the information regarding financials be sent to all member counties.

It was agreed that sending this information was a good idea.

Bobby Heitschmidt reviewed the Survey with the member counties.

It was discussed when to have the annual conference. It appeared that the pools should continue to have their conference with the KAC Annual Conference.

It was discussed what type of background individuals have to have to be elected to the Board of Trustees.

Bruce Woner briefly reviewed the amendments to the Bylaws.

It was asked if the staff had been increased at all since the separation.

Bruce Woner answered that no, they still have four employees, but could use a full part-time person to handle the financial information.

Bruce Woner introduced the employees of the pools, Jeanie Cowan, Carl Eyman, Bill Henry and Charlene Sayles.

It was suggested that Board members be elected for a longer period of time.

It was asked what was the purpose for the Insurance Department audit. If that information was used for the pool's own information or for litigation purposes.

It was again discussed when to have the annual conference. It was very important that we get a feel for what the members want. It was decided that an annual meeting be held in Hutchison in mid-October.

Bruce Woner read the press release prepared by Bill Hancock, Sedgwick County Commissioner.

The meeting adjourned at 3:10 p.m.

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 1:55 p.m. on March 7, 1996.

Board members present were:

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

Also present were:

Jeanie Cowan, Administrator, KCAMP/KWORCC
Charlene Sayles, Administrative Assistant, KCAMP/KWORCC

Time was given to review the minutes. Bobby Heitschmidt moved and Ralph Unger seconded to approve the minutes of February 8-9, 1996. The motion carried.

Jeanie Cowan notified the board that John Wholitz, Coopers & Lybrand, will be the auditor handling the financial audits for the pools.

Bobby Heitschmidt moved and Carol Slavik seconded to excuse Linda McHenry from the March 7-8, 1996, KWORCC board meeting. The motion carried.

Jeanie Cowan reviewed the KWORCC Quarterly Report. George Schlesener moved and Bobby Heitschmidt seconded to approve the KWORCC Quarterly Report. The motion carried.

Jeanie Cowan reviewed the expenditures, check register and credit card expenses, since the last board meeting. Ralph Unger moved and Carol Slavik seconded approval of the expenditures from check #1451 through check #1496 as well as check #1381. The motion carried.

The Board took a short break and reconvened at 2:43 p.m.

Kyle Smith, KBI, joined the meeting at 2:45 p.m. His presence was noted for the record. He gave a presentation on Board responsibilities and attitudes. He suggested the Board document procedures to follow regarding the Administrator's authority and policies. He further discussed criminal liability

regarding the handling of public funds. He completed his report at 4:20 p.m. and left the meeting. His absence was noted for the record.

The Board discussed having a representative from the KBI prepare a presentation for the various pool members regarding the responsibilities and attitudes for the county officials.

The Board took a short break and reconvened at 4:30 p.m.

Jeanie Cowan reviewed the correspondence. She further discussed the agreement being drawn up between the pools and Gallagher Woodsmall, Inc. The Board decided to have the agreement signed at the next regularly scheduled board meeting for KWORCC. Finally, she discussed the engagement letter sent from Steve Skov, Coopers & Lybrand, for the actuarial services and the engagement letter sent from Coopers & Lybrand regarding the audit bid.

Ralph Unger moved and George Schlesener seconded for Jeanie Cowan to send the engagement letter back to Coopers & Lybrand with Board refusal to pay the audit proposal until Coopers & Lybrand presents the bid for each pool rather than combined into one total. The motion carried.

Jeanie Cowan discussed the date change to the Spring Trustees Seminar for PRIMA.

Ralph Unger moved and Bobby Heitschmidt seconded to go into Executive Session to discuss personnel. The motion carried. The time was 5:00 p.m.

The Board came out of Executive Session at 5:45 p.m. No action was taken.

Ralph Unger moved and George Schlesener seconded to recess the meeting until March 8, 1996, at 9:00 a.m. The motion carried.

At 9:20 a.m., March 8, 1996, Gayle Landoll advised the Board the time for recess had expired and the KWORCC Board meeting reconvened. Joining the meeting at this time were Jeanette Bales, Gallagher Woodsmall, Inc., and Bill Henry, Loss Prevention Representative, KCAMP/KWORCC.

Jeanette Bales gave the claims report at 9:20 a.m. Doyle Alcorn moved and Bobby Heitschmidt seconded settlement authority on claim number 93/000017WC. She finished her report at 9:50 a.m. and left the meeting. Her absence was noted for the record.

Bill Henry, Loss Prevention Representative, reviewed the loss prevention activities and meetings by he and Carl Eyman since the last board meeting. Bill Henry finished his report at 10:12 a.m. and left the meeting. His absence was noted for the record.

The Board took a break at 10:15 a.m. and reconvened at 10:30 a.m.

Ralph Unger moved and Bobby Heitschmidt seconded KWORCC send one trustee, preferably the President, to the PRIMA Fall Trustees' Meeting in Charleston, South Carolina in October 1996. The motion carried.

Bobby Heitschmidt moved and Carol Slavik seconded Jeanie Cowan attend the PRIMA Annual Conference, June 2-5, in Baltimore, Maryland, and the PRIMA Administrator's Retreat, July 31, in Florida. The motion carried.

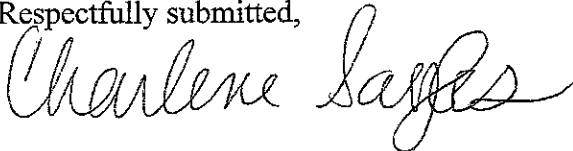
Jeanie Cowan reviewed a letter received from Nancy Hempen, President of the Kansas Association of Counties, requesting information regarding tail coverage. Jeanie Cowan advised the Board a letter regarding tail coverage was sent over a month ago to the KAC Board as well as three policy manuals over the past year. Jeanie Cowan reviewed various other correspondence received in regard to the KAC.

Richard Alexander reviewed the financial report for KWORCC. He explained the report is only in draft form. A final form will be prepared for the next board meeting. George Schlesener moved and Bobby Heitschmidt seconded to accept the financial report as presented. The motion carried.

Gayle Landoll presented Bobby Heitschmidt with a plaque in appreciation for serving as President for KWORCC in 1995.

Ralph Unger moved and George Schlesener seconded to adjourn the meeting at 11:35 a.m. The motion carried.

Respectfully submitted,

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

Charlene Sayles

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

KWORCC President Gayle Landoll called the KWORCC Board of Trustees meeting to order at 1:25 p.m. on February 8, 1996.

Board members present were:

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

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. George Schlesener moved and Bobby Heitschmidt seconded to amend the minutes to reflect Linda McHenry was excused from the meeting on January 11-12, 1996. The motion carried. George Schlesener moved and Bobby Heitschmidt seconded to approve the minutes as amended. The motion carried.

Ralph Unger moved and Bobby Heitschmidt seconded to excuse Linda McHenry from the KWORCC Board meeting held February 8-9, 1996, due to abnormal activity in Grant County. The motion carried.

Jeanie Cowan reviewed the financials for KWORCC as of December 31, 1995. She reviewed the payment arrangement between the pools and Coopers & Lybrand for handling the financials.

Doyle Alcorn moved and Carol Slavik seconded to accept the financial statements as reviewed. The motion carried.

Jeanie Cowan reviewed the legislation regarding payment into the Workers Compensation Fund.

Ralph Unger moved and George Schlesener seconded the KWORCC Board continue the policy not to pay for spouses at any Board dinners except the KCAMP/KWORCC Christmas party and continue not paying for any alcohol. The motion carried.

Jeanie Cowan reviewed the expenditures since the last board meeting. Carol Slavik moved and Bobby Heitschmidt seconded approval of the expenditures from check #1378 through check #1450. The motion carried.

The Board took a break at 2:55 p.m. and reconvened at 3:10 p.m.

Kent Erwin reviewed the excess insurance for 1996. Bobby Heitschmidt moved and Charles Hutchison seconded to approve the excess insurance for 1996. The motion carried.

Jeanie Cowan reviewed the correspondence.

Jeanie Cowan passed out the Biographical Affidavits and Conflict of Interest Statements provided by the Kansas Insurance Department (KID) to be completed by the KWORCC Board of Trustees. The Board completed the reports and returned them to Ms. Cowan to be delivered to Mr. Gaskill at the KID.

Carol Slavik moved and Bobby Heitschmidt seconded to approve the new investment agreement language between Country Club Bank and KWORCC. The motion carried.

Jeanie Cowan reviewed the 1996 fees with Gallagher Woodsmall. Ralph Unger moved and Carol Slavik seconded to approve the 1996 Gallagher Woodsmall fees in the amount of \$220,000 for claims administration and brokerage services. The motion carried.

At 4:45 p.m., Ralph Unger moved and Carol Slavik seconded to recess the meeting until February 9, 1996, at 9:00 a.m. The motion carried.

At 9:10 a.m., February 9, 1996, Gayle Landoll advised the Board the time for recess had expired and the KWORCC Board meeting reconvened. Joining the meeting at this time was Jeanette Bales, Gallagher Woodsmall, Inc.

Ms. Cowan informed the Board of an article in the February 9, 1996, issue of the Capital-Journal wherein Attorney General Carla Stovall stated she would like to organize a seminar for the Board members to educate them about their responsibilities. Ms. Cowan suggested the Board direct her to contact the Attorney General's office regarding this offer and invite her to a future Board meeting.

Ralph Unger moved and Carol Slavik seconded Ms. Cowan contact Attorney General Carla Stovall and extend an invitation to speak at the next board meeting, March 7-8, 1996. The motion carried.

The Board also directed Jeanie Cowan to contact Carla Stovall, Attorney General, and request a copy of the report of her investigation of the KAC referred to in the article.

Jeanette Bales gave the claims report at 9:40 a.m. Jeanette Bales finished her report at 10:40 a.m. and left the meeting. Her absence was noted for the record.

The Board took a short break and reconvened at 11:05 a.m.

Jeanie Cowan reviewed the Amended Proposed 1996 Budget for KWORCC. Ms. Cowan explained the proposed budget presented at the general membership meeting held in October 1995 provided for the same members to be in the pool for fund year 1996. However, seven counties withdrew from KWORCC as of January 1, 1996; those counties being: Bourbon, Ford, Jefferson, Lyon, Pottawatomie, Rice and Wichita. Therefore, adjustments in the budget were necessary. Bobby Heitschmidt moved and Carol Slavik seconded to approve the Amended Proposed 1996 Budget. The motion carried.

Kent Erwin reviewed the excess coverages for KWORCC since the pool's inception date of January 1, 1992.

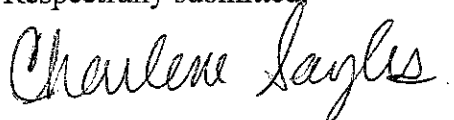
Jeanie Cowan reviewed the loss prevention reports submitted by Carl Eyman and Bill Henry, KWORCC Loss Prevention Representatives. She further reviewed the Loss Prevention Manual prepared by Mr. Eyman and Mr. Henry for distribution to the county members and read the policy statement enclosed in the manual.

Carol Slavik suggested Jeanie Cowan enclose a separate copy of the Policy Statement as well as the Risk Management Statement for a county representative to sign and return to the KCAMP/KWORCC offices.

Bobby Heitschmidt moved and Charles Hutchison seconded to adopt the Loss Prevention Policy Statement. The motion carried. The Board members signed the Loss Prevention Policy Statement to be placed in the KWORCC Loss Prevention Manual.

Bobby Heitschmidt moved and Charles Hutchison seconded to adjourn the meeting at 12:00 p.m. The motion carried.

Respectfully submitted,



Charlene Sayles
Administrative Assistant

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 1:45 p.m. on January 11, 1996.

Board members present were:

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

Also present were:

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

President Heitschmidt opened the floor for nominations for election of KWORCC 1996 officers.

Ralph Unger nominated Gayle Landoll for 1996 KWORCC President. Carol Slavik seconded. Ralph Unger moved the nominations be closed and a unanimous ballot be cast for Gayle Landoll as 1996 KWORCC President. Carol Slavik seconded. The motion carried. Gayle Landoll was elected as KWORCC President for 1996.

Carol Slavik nominated Ralph Unger for 1996 KWORCC Vice-President. Bobby Heitschmidt seconded. Carol Slavik moved the nominations be closed and a unanimous ballot be cast for Ralph Unger as 1996 KWORCC Vice-President. Bobby Heitschmidt seconded. The motion carried. Ralph Unger was elected as KWORCC Vice-President for 1996.

Bobby Heitschmidt nominated Carol Slavik for 1996 KWORCC Secretary. Ralph Unger seconded. Ralph Unger moved the nominations be closed and a unanimous ballot be cast for Carol Slavik as 1996 KWORCC Secretary. Bobby Heitschmidt seconded. The motion carried. Carol Slavik was elected as KWORCC Secretary for 1996.

George Schlesener nominated Charles Hutchison for 1996 KWORCC Comptroller. Carol Slavik seconded. Carol Slavik moved the nominations be closed and a unanimous ballot be cast for Charles

Hutchison as 1996 KWORCC Comptroller. Ralph Unger seconded. The motion carried. Charles Hutchison was elected as KWORCC Comptroller for 1996.

On behalf of the KWORCC Board of Trustees, Ralph Unger thanked Bobby Heitschmidt for his leadership this past year.

Time was given to review the minutes. Bobby Heitschmidt moved and George Schlesener seconded the approval of the minutes as written. The motion carried.

Jeanie Cowan reported on the status of hiring an accountant for the pools. She discussed the candidates interviewed for the part-time position as well as a third party bid to handle the financial information. Jeanie Cowan recommended the Board hire Richard Alexander on a part-time basis as the accountant for the pools. Carol Slavik moved and Bobby Heitschmidt seconded the Board accept Jeanie Cowan's recommendation. The motion carried.

Jeanie Cowan reported on the investments at Country Club Bank as well as the proposal from Bank IV regarding investment handling. Carol Slavik moved and Bobby Heitschmidt seconded the Board, after reviewing Bank IV's proposal, continue the Investment Management Agreement with Country Club Bank. The motion carried.

Jeanie Cowan reviewed the expenditures since the last board meeting. Carol Slavik moved and Ralph Unger seconded approval of the expenditures from check #1324 to check #1377. The motion carried.

Kent Erwin reviewed the excess insurance purchased by the pools as well as county membership for 1996.

At 5:10 p.m., time was given to read the Kansas Insurance Department audits for the examination periods ending December 31, 1993 and December 31, 1994. After reviewing the audits, each board member executed a sworn affidavit acknowledging their receipt and review of the audits and the relating orders to be delivered to the Kansas Insurance Department as stated in their letter of December 20, 1995.

At 6:00 p.m., Ralph Unger moved and Bobby Heitschmidt seconded to recess the meeting until 9:00 a.m. on January 12, 1996. The motion carried.

At 9:15 a.m., January 12, 1996, Gayle Landoll 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 Richard Alexander, KCAMP/KWORCC Accountant.

Carl Eyman and Bill Henry gave the loss prevention report. Carl Eyman reviewed the pamphlet on Federal Aid for road signage. Bill Henry reviewed the visits and activities for he and Carl Eyman.

The Board scheduled the meetings for 1996. The Board decided to continue meeting every month for 1996. The following dates were set for meetings:

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|--------------|-----------------|---|
| February 8-9 | June 13-14 | October 16 (Hutchinson) |
| March 7-8 | July 11-12 | Annual meeting -- October 17 (Hutchinson) |
| April 18-19 | August 15-16 | November 19 (Wichita) |
| May 16-17 | September 12-13 | December 4-5 |

Chris Thompson entered the board meeting at 10:00 a.m. He briefed the Board on the investments held at Country Club Bank. He concluded his report and left the meeting at 11:10 a.m.

The Board took a short break and reconvened at 11:20 a.m.

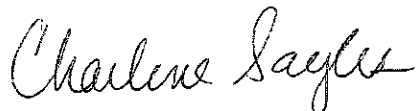
Jeanie Cowan reviewed the correspondence.

The Board discussed having a coordinated meeting with several counties in local areas to provide workshops on loss prevention and risk management.

Jeanette Bales joined the meeting at 11:50 a.m. to give the claims report. Ralph Unger moved and George Schlesener seconded Board approval with the structured settlement in case 94/710501 DI. The motion carried. George Schlesener moved and Doyle Alcorn seconded settlement authority in case 95/711054 GR. The motion carried.

George Schlesener moved and Carol Slavik seconded the meeting adjourn at 12:25 p.m. The motion carried.

Respectfully submitted,



Charlene Sayles
Administrative Assistant