

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**January 22, 2015 at 1:15 pm via Teleconference**  
**700 SW Jackson, Ste 200**  
**Topeka, KS 66603**

The January 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference at 1:22 p.m. on January 22, 2015 in Topeka by Board Vice-President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk; Sandy Barton, Stanton County Clerk; Gary Caspers, Cloud County Commissioner; Phil Dixon, Miami County Commissioner and Stan McEvoy, Decatur County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist and Mr. Ralph D. Unger, Member Services Representative.

CORnerston Risk Solutions (CRS) was represented by Mr. Gene Miller and Mr. Jess Cornejo.

Vice-President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the addition of Agenda Item No 8a, "Select Claims Review" and re-lettering the other items to b and c. He also recommended the addition of Agenda Item No. 10a, "Sweep Case Update," to the legal report. Mr. McEvoy moved to approve the agenda with those additions. Ms. Garrett seconded the motion which CARRIED unanimously.

Vice-President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of December 18, 2014." Ms. Buttron moved to approve the minutes as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Next, Vice-President Garten asked Mr. Parrish to address Agenda Item No. 4, "Election of Officers and Establish Committees." Mr. Parrish then described the slate of officers recommended by staff after consultation with the board members. He explained the practice of rotating Trustees through these officer positions, giving each the opportunity to serve in these positions. The slate of officers includes Steve Garten, President; Gary Caspers, Vice-President; Stan McEvoy, Secretary and Michelle Garrett, Controller. Mr. Parrish then described staff recommendations for committee chairs and membership which includes Michelle Garrett, Chair Personnel Committee with Steven Garten and Stan McEvoy as committee members; Gary Caspers as Chair of Investment Committee with Stan McEvoy and Phil Dixon as committee members; Linda Buttron as Chair of Audit Committee with Michelle Garrett and Sandy Barton as committee members and Steve Garten as Chair of the Joint KWORCC/KCAMP Committee on Cooperation with Gary Caspers and Linda Buttron as committee members. Ms. Buttron moved to close nominations, elect the slate of officers and approve appointment of committee members as proposed. Ms. Garrett seconded the motion which CARRIED unanimously.

President Garten proceeded to Agenda Item No. 5a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Mr. McEvoy moved to approve the checks and ratify the electronic transfers of funds as presented. Mr. Dixon seconded the motion which CARRIED unanimously.

Mr. Parrish then addressed Agenda Item No. 5b, "Complete Conflict of Interest Forms." He explained the purpose and details of the form and asked that all trustees and staff complete the conflict of interest forms and return them to Ms. Bird for filing with the Kansas Insurance Department (KID).

Mr. Parrish then addressed Agenda Item No. 5c, "Waiver of GAAP, Resolution No. 2015-07." He explained the purpose of the resolution is to comply with statutory accounting as opposed to generally accepted accounting principles. Mr. Caspers moved that the resolution be adopted. Ms. Buttron seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Ms. Bird to address Agenda Item No. 5d, "PRIMA National." The annual National PRIMA conference will be in Houston, Texas beginning June 7, 2015 and ending on June 10, 2015. Ms. Bird discussed itinerary, travel preferences, accommodations and registration details.

President Garten then proceeded to Agenda Item No. 6, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten then proceeded to Agenda Item No. 7, "Financial Report." Mr. Alexander discussed in detail the preliminary, pre-audited financial statements he prepared for December 2014. He stated the reports are very preliminary and they do not include the most recent actuarial review and the results of the 2014 payroll audits. Ms. Buttron moved to receive and file the financial reports. Mr. McEvoy seconded the motion which CARRIED unanimously.

Mr. Alexander then discussed in detail the interim, pre-audited fourth quarterly financial report for 2014 he prepared for filing with KID. Ms. Garrett moved to approve filing the report as proposed. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Whereupon, Mr. Caspers moved to approve check Nos. 16276 through 16345 and the direct debits. Ms. Garrett seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of January 13, 2015.

Mr. McEvoy left the meeting at 2:00 pm, stating he needed to attend another meeting for county business.

President Garten addressed Agenda Item No. 8, "Claims Report - CRS." As to Agenda Item No. 8a, "Select Claims Review," Mr. Miller reported on claims and answered questions. He also requested approval of a pending settlement. Mr. Dixon moved to approve the proposed course of action for claim number 2012044010. Ms. Buttron seconded the motion which CARRIED unanimously.

Mr. Cornejo then discussed Agenda Item No. 8b, "Logicomp Bill Review Report." He reported the amount billed totals \$3,576,516 for the period beginning January 1, 2014 through December 31, 2014. He said the actual paid amount for that period totals \$2,004,156, resulting in a net savings of \$1,572,360 after fees are paid. This is more than 44% of the amount billed for this 12-month period.

Mr. Cornejo then explained the "Policy Year Performance Review" under Agenda Item No. 8c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2010 through 2014. The documents consist of graphs which compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts show the performance status as of the end of December 2014 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to address Agenda Item No. 9, "Loss Prevention and County Visits." He reviewed December, January and February calendars for the loss-prevention staff. Next, he reported on the enrollment rates and courses completed by the membership for the GovU online courses.

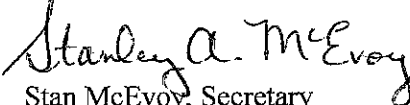
President Garten addressed Agenda Item No.10, "Legal Report." Mr. Parrish shared the information he had received from Mike O'Neal who is representing KWORCC and others with regard the fee-fund sweeps by the Kansas legislature. The state and Mr. O'Neal argued the preliminary issue of standing to the Kansas Supreme Court last month. Subsequently, the Court submitted questions for the parties to brief. While the overall report from counsel was positive, Mr. Parrish explained that there is no guarantee of the outcome of the Supreme Court's decision.

President Garten proceeded to Agenda Item No. 11, "Committee Reports." Mr. Parrish stated there would be a Personnel Committee Meeting at 12:15 on February 19, 2015.

President Garten then addressed Agenda Item No. 12, "Other Business." There was no other business.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 2:11 p.m. Ms. Buttron seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 19th day of February, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

I, Stan McEvoy, Secretary of Kansas Workers Risk Cooperative for Counties (KWORCC), hereby certify that the following is a true and correct copy of a Resolution duly adopted by unanimous vote of the Board of Trustees of KWORCC at a meeting duly called and held on the 19<sup>th</sup> day of February, 2015 at which a quorum was present:

### **RESOLUTION # 2015-15**

WHEREAS KWORCC has contracted with CORnerstone Risk Solutions (CRS) to manage claims;

Whereas CRS makes payments for claims expenses from a medical account owned by KWORCC;

Whereas, by KWORCC Resolution #99-77, KWORCC established policies for settlement of claims for over \$10,000 and up to \$20,000 to require KWORCC Administrator's approval and settlement of claims for over \$20,000 to require approval of the Board of Trustees;

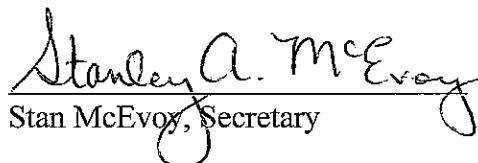
Whereas the KWORCC Board of Trustees desires to change said settlement policies to provide that settlement of claims over \$12,500 and up to \$25,000 require KWORCC Administrator's approval and settlement of claims for over \$25,000 require approval of the Board of Trustees;

NOW, THEREFORE BE IT RESOLVED, by the Board of Trustees of KWORCC, in its regular meeting duly assembled this 19<sup>th</sup> day of February, 2015:

1. The Trustees direct its Administrator to reach agreement with CRS whereby all claims settlements for in excess of \$12,500 and for up to \$25,000 must be approved, in writing, by the Administrator. Written communication transferred by telecopier or electronic mail is sufficient for such purposes;
2. The Trustees direct its Administrator to reach agreement with CRS whereby all settlements of claims for in excess of \$25,000 must be approved by the KWORCC Board of Trustees at its next regularly scheduled or special meeting.

BE IT FURTHER RESOLVED that these claims settlements policies are effective immediately and they shall be published in KWORCC's policy manual and distributed to all current and future Trustees for so long they remain in effect.

IN WITNESS WHEREOF, the undersigned has caused this Resolution to be executed this 19<sup>th</sup> day of February, 2015.

  
Stan McEvoy, Secretary

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**February 19, 2015 at 1:00 pm**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

The February 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:00 p.m. on February 19, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk and Sandy Barton, Stanton County Clerk.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland, Mr. Paul Davis and Mr. Jess Cornejo. Also present was Mr. Sam Cargnel of Centric Actuarial Solutions.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the addition of Agenda Item No 2a, "Excuse Phil Dixon for other county business." Ms. Garrett moved to approve the agenda with that addition. Mr. Caspers seconded the motion which CARRIED unanimously.

President Garten then called for a motion to excuse Phil Dixon for other county business. Ms. Buttron so moved. Mr. McEvoy seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of January 22, 2015." Ms. Garrett moved to approve the minutes as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Next, President Garten asked Mr. Parrish to address Agenda Item No. 4a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Mr. McEvoy moved to approve the checks and ratify the electronic transfers of funds as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Mr. Cargnel to address Agenda Item No. 4b. "Actuarial Year-End Adjustments." Mr. Cargnel reported that 2014 was originally projected to have a total claims cost of \$4.3 million. This amount was increased to \$4.65 million as a result of the August actuarial review and is now adjusted downward to \$4.5 million. Further, Mr. Cargnel reported the average cost per claim over the last eight years has not fluctuated and continues to be around \$8,000. The number of claims per year averaged 570 from 2005 to 2008. Starting with 2009, the claims number has shown more variance, with an average of 472 claims per year. Using that data he placed the 2015 ultimate loss for claims at \$4.44 million. President Garten thanked Mr. Cargnel for his excellent services and informative presentation.

Mr. Parrish then addressed Agenda Item No. 4c, "Claims Personnel Updated." Mr. Parrish introduced Ms. Tina Cox, the new account executive for KWORCC and Ms. Amanda Chamberland who will be adjusting the medical only claims. Ms. Cox and Ms. Chamberland reviewed their experience in workers' compensation and answered questions. President Garten welcomed them to team KWORCC.

Mr. Parrish then addressed Agenda Item No. 4d, "KWORCC Claims Settlement Policies, Resolution No. 2015-15." Mr. Parrish explained that this resolution raises the settlement authority limit for claims adjusters from \$10,000 to \$12,500 and the Administrator's from \$20,000 to \$25,000. The Board of Trustees would approve settlements over \$25,000. He asked for and responded to questions from the Board. Ms. Garrett moved to approve KWORCC Resolution No. 2015-15. Ms. Barton seconded the motion which CARRIED unanimously.

Ms. Bird then circulated new signature cards for the Kaw Valley Bank accounts under Agenda Item No. 4e. She asked that the trustees verify their information and sign the cards.

Mr. Parrish then asked Ms. Bird to address Agenda Item No. 4f, "Report on 2014 Member Premium Receipts." Ms. Bird reported that \$4,584,384 in premiums have been received, leaving \$1,133,112 receivable. She said all Members with outstanding premiums have reported the billing is in line for payment.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten then proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander presented the "Preliminary Snapshot for December 2014." This is an updated version of the end of the year report, reflecting the actuary adjustment.

Mr. Alexander then discussed in detail the financial statements he prepared for January 2015. Ms. Buttron moved to receive and file the financial report. Mr. McEvoy seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Whereupon, Mr. McEvoy moved to approve check Nos. 16346 through 16394 and the direct debits. Ms. Garrett seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of February 5, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." As to Agenda Item No. 8a, "Select Claims Review," Ms. Cox reported on claims and answered questions. She also requested approval of several pending settlements. Ms. Garrett moved to approve the proposed course of action for claim number 2012044160. Ms. Buttron seconded the motion which CARRIED unanimously. Mr. Caspers moved to approve the proposed course of action for claim number 2014048059. Mr. McEvoy seconded the motion which CARRIED unanimously. Ms. Garrett moved to approve the proposed course of action for claim number 2009036886. Ms. Barton seconded the motion which CARRIED unanimously. Mr. McEvoy moved to approve the proposed course of action for claim number 2012044196. Ms. Buttron seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "Logicomp Bill Review Report." She reported the amount billed totals \$170,274 for the period beginning January 1, 2015 through January 31, 2015. She said the actual paid amount for that period totals \$100,780, resulting in a net savings of \$69,493 after fees are paid. This is more than 41% of the amount billed for this one-month period.

Mr. Cornejo then explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through 2015. The documents consist of graphs which compare the actual paid and incurred losses to the estimated paid and incurred

losses and show the actuarial projections. He said the charts reflect the performance status as of the end of January 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to address Agenda Item No. 9, "Loss Prevention and County Visits." He reviewed January, February and March calendars for the loss-prevention staff. Next, he reported on the enrollment rates and courses completed by the membership for the GovU online training.

President Garten then addressed Agenda Item No. 10, "Legal Report." Mr. Parrish reported on recent discussion in the Kansas Senate Commerce Committee concerning Senate Bill 167 (SB167). He explained that the Kansas Workers Compensation Act currently provides that health care professionals utilize the 6th edition of the American Medical Association Guides to the Evaluation of Permanent Impairment. He said that SB167 would revert to the 4th edition, and concluded that utilizing 20-year-old guidelines to evaluate the injured workers' impairments made no sense. Accordingly, he anticipated that SB167 would not move forward, and said he will keep the Trustees advised of any further developments.

President Garten proceeded to Agenda Item No. 11, "Committee Reports." Ms. Garrett stated that the personnel committee met prior to the Board Meeting and recommends paying a performance enhancement of \$17,000 to the KWORCC staff to be distributed at the discretion of the Administrator. Ms. Garrett moved to approve the committee's recommendation. Ms. Barton seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 12, "Other Business." There was no other business.

There being nothing further, Mr. McEvoy moved to adjourn the meeting at 2:27 p.m. Mr. Caspers seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 26th day of March, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

**Minutes**  
**Meeting, Personnel Committee**  
**Kansas Worker Risk Cooperative for Counties**  
**February 19, 2015 at 12:15 p.m.**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

On Thursday, February 19, 2015, the Personnel Committee of the Kansas Workers Risk Cooperative for Counties ("KWORCC") met in the conference room at the Clubhouse Inn, Topeka, Kansas. The meeting was called to order by Committee Chair, Michelle Garrett at 12:20 p.m. Committee Members participating included: Michelle Garrett, Morris County Clerk; Steven Garten, Barber County Commissioner and Stan McEvoy, Decatur County Commissioner. Also present was James W. Parrish, KWORCC Administrator.

Mr. McEvoy moved to adopt the agenda as presented. Dr. Garten seconded the motion which CARRIED unanimously.

Dr. Garten moved to approve the August 21, 2014 minutes. Mr. McEvoy seconded the motion which CARRIED unanimously.

Chairperson Garrett asked for discussion of Agenda Item 4, "Consideration of KWORCC Staff 2014 Performance Enhancement." Mr. Parrish went over the status of KWORCC personnel and discussed the health of the pool and the strategy moving forward and answered questions. He was complimentary of staff and its efforts to increase KWORCC's membership, which has increased to 83 Members in 2015. After some discussion, Mr. McEvoy moved that the Committee recommend to the KWORCC Board a lump-sum payment of \$17,000 to salaried and contract personnel during 2014, to be distributed at the discretion of the KWORCC Administrator. Dr. Garten seconded the motion which CARRIED unanimously.

There being no further business to come before the Personnel Committee, Mr. McEvoy moved to adjourn the meeting at 12:46 p.m. Dr. Garten seconded the motion which CARRIED unanimously.

THE FOREGOING MINUTES of the Personnel Committee of Kansas Workers Risk Cooperative for Counties were executed by the Chair of that Committee on the 20<sup>th</sup> day of August, 2015.



Michelle Garrett, Chair  
KWORCC Personnel Committee



**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**March 26, 2015 at 1:00 pm via Teleconference**  
**700 SW Jackson, Ste 200**  
**Topeka, KS 66603**

The March 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference at 1:02 p.m. on March 26, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk; Sandy Barton, Stanton County Clerk and Phil Dixon, Miami County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland, Mr. Paul Davis and Mr. Jess Cornejo.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Ms. Buttron moved to approve the agenda as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of February 19, 2015." Mr. McEvoy moved to approve the minutes as presented. Ms. Buttron seconded the motion which CARRIED unanimously.

Next, President Garten asked Mr. Parrish to address Agenda Item No. 4a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Ms. Barton moved to approve the checks and ratify the electronic transfers of funds as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Ms. Bird to address Agenda Item No. 4b, "Report on 2014 Premium Audits." Ms. Bird stated that the payroll audits went well and were completed timely. She said there were some members who provided incomplete or disorganized data and that staff would be working with the members to increase efficiency and clarify any confusion. Ms. Bird reported that statements for additional premiums due and checks for refunds of premium are completed. Also, approximately three-quarters of the additional premiums billed have been received from the members. She asked for and answered questions.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten then proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander presented the financials for December 2014. He then discussed in detail the financial statements he prepared for February 2015. Mr. McEvoy moved to receive and file the financial reports. Ms. Buttron seconded the motion which CARRIED unanimously. Next, Mr. Alexander recommended transferring \$200,000 from investment income to policy year 2014. Ms. Garrett moved to follow the staff's recommendation. Mr. McEvoy seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Whereupon, Ms. Garrett moved to approve checks numbered 16395 through 16474 and the direct debits. Ms. Buttron seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of March 11, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." As to Agenda Item No. 7a, "Select Claims Review," Ms. Cox reported on claims and answered questions. She also requested approval of a pending settlement. Ms. Buttron moved to approve the proposed course of action for claim number 2010038568. Ms. Barton seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "Logicomp Bill Review Report." She reported the amount billed totals \$235,229 for the period beginning January 1, 2015 through February 28, 2015. She said the actual paid amount for that period totals \$235,229, resulting in a net savings of \$143,247 after fees are paid. This is more than 38% of the amount billed for this two-month period. Ms. Cox also indicated that CRS is in the process of looking at bill review service providers to ensure they are contracting with the best available.

Whereupon, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through 2015. The documents consist of graphs which compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of February 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed February, March and April calendars for the loss-prevention staff. Next, he reported on the enrollment rates and courses completed by the membership for the GovU online training.


President Garten then addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated there has been discussion in Kansas and other states concerning the workers' compensation laws becoming too restrictive to effectively replace the common law rights of employees to sue employers for negligence to recover when hurt on the job. He said that there recently was a finding by a district judge in Oklahoma that confirmed an injured worker could sue his employer for negligence because his injury was "foreseeable." Mr. Parrish said this may be an indication of things to come if workers compensation benefits continue to erode. He stated that this issue was discussed during testimony before the Senate Commerce Committee this legislative session. He concluded that there has been no action taken by any branch of Kansas government in regarding this issue.

President Garten proceeded to Agenda Item No. 11, "Committee Reports." Ms. Bird reminded the Board that the Audit Committee will meet prior to the April board meeting.

President Garten then addressed Agenda Item No. 12, "Other Business." Mr. Eyman stated that he has been working on an auction item for the KCC&EOA. Ms. Barton suggested a 32" smart TV. Other suggestions were a Kindle Fire, an iPad mini, a FitBit or a gift certificate to Great Wolf Lodge. After discussion, the consensus was a TV would be the most universal in its appeal.

There being no further business, Ms. Garrett moved to adjourn the meeting at 1:40 p.m. Mr. McEvoy seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 23rd day of April, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**April 23, 2015 at 1:00 pm**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

The April 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:01 p.m. on April 23, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk; Sandy Barton, Stanton County Clerk and Phil Dixon, Miami County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland and Mr. Jess Cornejo. In addition, Independent Auditor, Mr. Eric Otting, Wendling Noe Nelson and Johnson and Mr. Rick Flores of Parrish Management Corporation. Also, for observation, was Mr. Mann's daughter, Avery.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended changing Agenda Item No. 12 "May and June meetings by teleconference" to Agenda Item No. 12a and the addition of Agenda Item No. 12b, "Electronic Access by CRS to Claims Account." Mr. McEvoy moved to approve the agenda with the modifications. Ms. Garrett seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of March 26, 2015." Mr. McEvoy moved to approve the minutes as presented. Ms. Buttron seconded the motion which CARRIED unanimously.

Next, President Garten asked Mr. Parrish to address Agenda Item No. 4a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Ms. Buttron moved to approve the checks and ratify the electronic transfers of funds as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Mr. Otting to address Agenda Item No. 4b, "Report from Independent Auditor." Mr. Otting gave a positive report on KWORCC's accounting methods and documentation and said the audit process was handled professionally by KWORCC and CRS staff. He said the auditors issued a clean opinion. He then asked for and responded to questions. President Garten thanked Mr. Otting for his presentation.

Next, for Agenda Item No. 4c, "Update CCB Account Documents," Mr. Parrish asked the Trustees to sign the account and wire transfer forms from Country Club Bank.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander presented the amended post-audit Kansas Insurance Department (KID) fourth Quarter Report for 2014. He then discussed in detail the financial statements he prepared for March 2015. Ms. Garrett moved to receive and file the financial reports. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Alexander then presented the 2015 first Quarterly reports for submission to the KID. Mr. McEvoy moved to approve filing the 2014 fourth Quarter and the 2015 first Quarter reports as proposed. Ms. Garrett seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Ms. Buttron moved to approve checks numbered 16475 through 16518 and the direct debits. Ms. Barton seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of April 10, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." As to Agenda Item No. 7a, "Select Claims Review," Ms. Cox reported on claims and answered questions. She also requested approval of a pending settlement. Mr. Dixon moved to approve the proposed course of action for claim number 2013045920. Ms. Buttron seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "Logicomp Bill Review Report." She reported the amount billed totals \$478,277 for the period beginning January 1, 2015 through March 31, 2015. She said the actual paid amount for that period totals \$299,652, resulting in a net savings of \$178,626 after fees are paid. This is more than 37% of the amount billed for this three-month period. Ms. Cox reported that CRS has processed the responses to their request for proposals from firms specializing in medical invoice review and have placed the account with CompTech. The new provider will begin processing bills within the next 30 days. Additionally, CRS is contracting with a pharmacy provider, myMatrixx, to help reduce medication costs.

Whereupon, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through 2015. The documents consist of graphs which compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of March 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed March, April and May calendars for the loss-prevention staff. Next, he reported on the enrollment rates and courses completed by the membership for the GovU online training.

President Garten then addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated there was no legal report at this time.

President Garten proceeded to Agenda Item No. 11, "Committee Reports." Ms. Buttron discussed the meeting the Audit Committee had earlier in the day with Eric Otting, independent auditor. Ms. Buttron then moved to approve Resolution No. 2015-38, approving the audit report for filing with the Kansas Insurance Department and Kansas Department of Administration. Ms. Garrett seconded the motion which CARRIED unanimously.

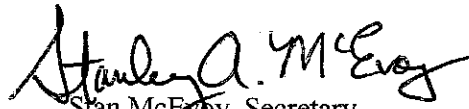
President Garten then addressed Agenda Item No. 12, "Other Business." Under 12a, Mr. Parrish reminded the trustees that the May and June meetings are to be held by teleconference. He also indicated that the PRIMA National Annual Conference will take place between those two meetings. Ms. Bird stated she will include the information for those who will be attending the PRIMA conference with the May board packet.

Next, Mr. Parrish asked Ms. Bird to address agenda Item No. 12b, "Electronic Access by CRS to Claims Account." Ms. Bird explained that CRS reconciles the claims account bank statement and then furnishes the reconciled statement to KWORCC. To speed up this process, Ms. Bird recommends KWORCC direct Kaw Valley Bank to enable CRS to access the bank statements electronically. Ms. Garrett moved to approve resolution #2015-39. Mr. Caspers seconded the motion which CARRIED unanimously.

Mr. Parrish stated that Mr. Unger has invited the staff and trustees to his 50th wedding anniversary party on May 24th in Oberlin, Kansas. Mr. Parrish recommended the Board consider Resolution 2015-40 congratulating Ralph and Norma Unger on the occasion of their 50<sup>th</sup> wedding anniversary. Mr. McEvoy moved and Mr. Dixon seconded the motion which CARRIED unanimously.

There being no further business, Ms. Garrett moved to adjourn the meeting at 1:56 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 21st day of May, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

I, Stan McEvoy, Secretary of Kansas Workers Risk Cooperative for Counties, hereby certify that the following is a true and correct copy of a Resolution duly adopted by unanimous vote of the Board of Trustees of KWORCC at a meeting duly called and held on the 23<sup>rd</sup> day of April, 2015 at which a quorum was present:

## ***RESOLUTION #2015-38***

WHEREAS, the KWORCC Board of Trustees has engaged the firm of Wendling, Noe, Nelson and Johnson LLC to undertake an independent audit of KWORCC's books and records for the year ending December 31, 2014 as required by KSA 12-2620(b);

WHEREAS, the independent audit was completed and is ready to be filed with the Kansas Insurance Department and the Kansas Department of Administration;

WHEREAS auditor Eric Otting met with the KWORCC Audit Committee on the 23<sup>rd</sup> day of April, 2015; and,

WHEREAS the Audit Committee, having discussed the independent audit with the auditor and having reviewed the audit reports with accompanying materials, recommends that the independent audit be accepted by the KWORCC Board of Trustees;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees of Kansas Workers Risk Cooperative For Counties, that the independent audit prepared by the firm of Wendling, Noe, Nelson and Johnson LLC for the fiscal year ending December 31, 2014 shall be adopted and filed in the books and records of the Kansas Insurance Department, Kansas Department of Administration and the KWORCC administrative files for public view.

IN WITNESS WHEREOF, the undersigned has caused this Resolution to be executed this 23<sup>rd</sup> day of April, 2015.

  
Stan McEvoy, Secretary

I, Stan McEvoy, Secretary of Kansas Workers Risk Cooperative for Counties (hereafter KWORCC), hereby certify that the following is a true and correct copy of a Resolution duly adopted by unanimous vote of the Board of Trustees of KWORCC at a meeting duly called and held on the 23<sup>rd</sup> day of April, 2015 at which a quorum was present:

## ***RESOLUTION #2015-39***

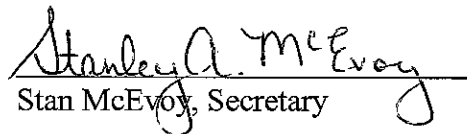
WHEREAS, KWORCC has entered an agreement with CORnerstone Risk Solutions (hereafter CORnerstone) for claims management services that includes KWORCC maintain a claim payment fund in the amount of \$400,000 at Kaw Valley State Bank, NA, KWORCC Account No. 18-118-8 (hereafter Claims Account).

WHEREAS, CORnerstone staff is responsible for reconciling the Claims Account on a monthly basis and it would be more efficient to access the month-end statements electronically for purposes of those reconciliations;

WHEREAS, Michael Lynch is authorized signer on the Claims Account and is supervisor of CORnerstone employees who reconcile the Claims Account;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees of Kansas Workers Risk Cooperative For Counties, that Michael Lynch is authorized to electronically access KWORCC Account No. 18-118-8 and Kaw Valley Bank is hereby requested to allow Mr. Lynch to access e-statements for that account.

IN WITNESS WHEREOF, the undersigned has caused this Resolution to be executed this 23<sup>rd</sup> day of April, 2015.

  
Stan McEvoy, Secretary

KWORCC RESOLUTION # 2015-40

~FOR~

*Congratulations to  
Ralph D. Unger and Norma Unger*

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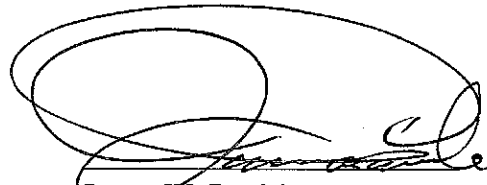
*WHEREAS*, Kansas Workers Risk Cooperative for Counties (hereafter referenced "KWORCC") has been notified of the 50<sup>th</sup> wedding anniversary of Ralph D. Unger and Norma Unger on May 29, 2015.

*WHEREAS*, Ralph D. Unger is KWORCC Member Services Representative and former Decatur County Commissioner and former KWORCC Trustee and President;

*WHEREAS*, Ralph D. Unger has dedicated many years to public service and provided invaluable guidance to KWORCC as Employee, Trustee, President and Delegate;

*NOW, THEREFORE*, it is RESOLVED that the KWORCC Board of Trustees expresses its congratulations to Mr. and Mrs. Ralph D. Unger on their 50 years of marriage and its appreciation to Ralph D. Unger for his years of public service.

*IN WITNESS WHEREOF*, I, James W. Parrish, Administrator of Kansas Workers Risk Cooperative for Counties hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by the Board of Directors of KWORCC at a meeting duly called and held on the 23<sup>rd</sup> day of April 2015, at which a quorum was present.



James W. Parrish  
KWORCC Administrator



**Minutes**  
**Investment Committee**  
**Kansas Worker Risk Cooperative for Counties**  
**May 21, 2015 at 1:00 pm via Teleconference**  
**700 SW Jackson, Ste 200**  
**Topeka, KS 66603**

On Thursday, May 21, 2015 at 12:17 PM the Investment Committee of Kansas Workers Risk Cooperative for Counties ("KWORCC") was called to order via teleconference by Committee Chair, Gary Caspers. Committee Members participating included: Gary Caspers, Cloud County Commissioner; Phil Dixon, Miami County Commissioner and Stan McEvoy, Decatur County Commissioner. KWORCC Administrator, Jim Parrish attended the meeting. Also on the call was Steve Page, Senior Vice President, and Brandon Holle, Portfolio Manager of BOK Financial ("BOKF").

Chairman Caspers called the meeting to order at 12:17 PM. Mr. McEvoy moved to approve the Agenda. Mr. Dixon seconded the motion which CARRIED unanimously. Mr. Dixon moved to approve the minutes of the December 18, 2014 meeting as presented. Mr. McEvoy seconded the motion which CARRIED unanimously.

Next, Mr. Caspers asked Messrs. Page and Holle to review equity investments. Mr. Page reviewed the performance of various asset classes over the past year and discussed the economic and market environment. He stated that low unemployment coupled with low inflation are strong positives for economy and stock market. However, he pointed out that domestic stocks are historically expensive while foreign stocks, especially developed foreign stock, are more attractively priced now.

Mr. Page said the portfolio is currently valued at around \$3,160,000.00. The year-to-date return on investment has been 2.98% and 7.10% over the past 12 months. He said the portfolio is highly diversified and in compliance with KWORCC investment policy.

In addition, Mr. Page stated that BOKF plans to further diversity the portfolio by adding funds to certain under-represented subclasses. The addition of midcap growth and value funds as well as smallcap growth and value funds offer the potential of adding incremental growth performance over the long-term. He explained BOKF favors stocks over bonds in regard to tactical asset allocation. Finally, he cautioned that

equity returns may be more subdued in the next few years because of current valuations and that a market correction would not be as surprise. The plan, however, is to remain fully invested.

Whereupon, Messrs. Page and Holle asked for and responded to questions.

Next, Mr. Parrish reviewed KWORCC Investment Policy with regard to equity investments. Specifically, that no more than 40% of the total amount authorized by the KWORCC Board could be invested in one mutual fund. Also, the aggregate investment (cost to acquire, dividends and realized gains) cannot exceed 25% of KWORCC's fund balance as of prior fiscal year-end. He further pointed out that investments in the shares of any one investment company shall not exceed 10% of the admitted assets of KWORCC as of its last annual filing, using the cash basis of such shares at time of purchase. Messrs. Page and Holle acknowledged these limitations and that they continue to comply with them. Messrs. Page and Holle left the meeting at 12:47 PM.

Mr. Parrish pointed out that KWORCC's fund balance as of April 30, 2015 is \$13,560,000. The current aggregate investments in equity funds total \$3,160,000. Accordingly, KWORCC could easily invest additional funds and stay within guidelines.

Chairman Caspers asked the Committee if it had a recommendation to make to the KWORCC Board of Trustees with regard to equity investments at BOKF.

Mr. McEvoy moved to recommend to the KWORCC Board of Trustees incremental equity investments at BOKF of \$20,000 per month for a total of eight months, beginning May, 2015 and ending December, 2015. Mr. Dixon seconded the motion which CARRIED unanimously.

There being no further business to come before the Committee M. McEvoy moved to adjourn the meeting at 12:55 PM. Mr. Dixon seconded the motion which CARRIED unanimously.

THE FOREGOING MINUTES of the Investment Committee of Kansas Workers Risk Cooperative for Counties were executed by the Chair of that Committee on July 23, 2015.



Gary Caspers, Chair

KWORCC Investment Committee



# Investment Review

**Ronnie Jobe**  
Senior Vice President  
Senior Institutional Advisor  
(918) 295-0432  
rjobe@bokf.com

**Stephen R. Page**  
Senior Vice President  
Senior Relationship Manager  
(785) 414-3231  
spage@bokf.com

**Period Ending:**  
April 30, 2015

 **BOK FINANCIAL**  
Investment Review Presented to:



APRIL 2015

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- II. Performance Review
- III. Asset Allocation Review
- IV. Manager Due Diligence

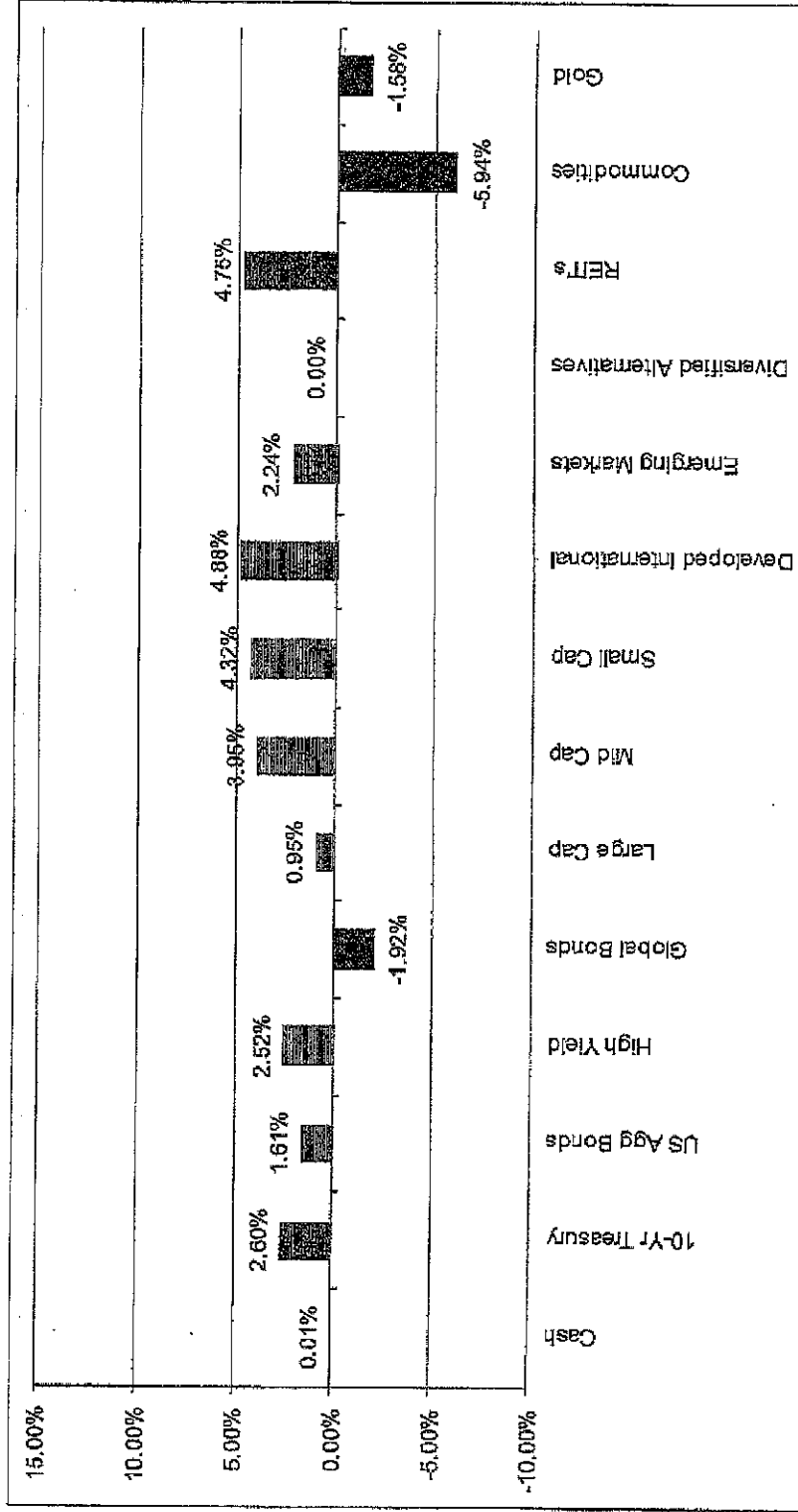


APRIL 2015

# Capital Market & Economic Review

# Q1 Asset Class Returns

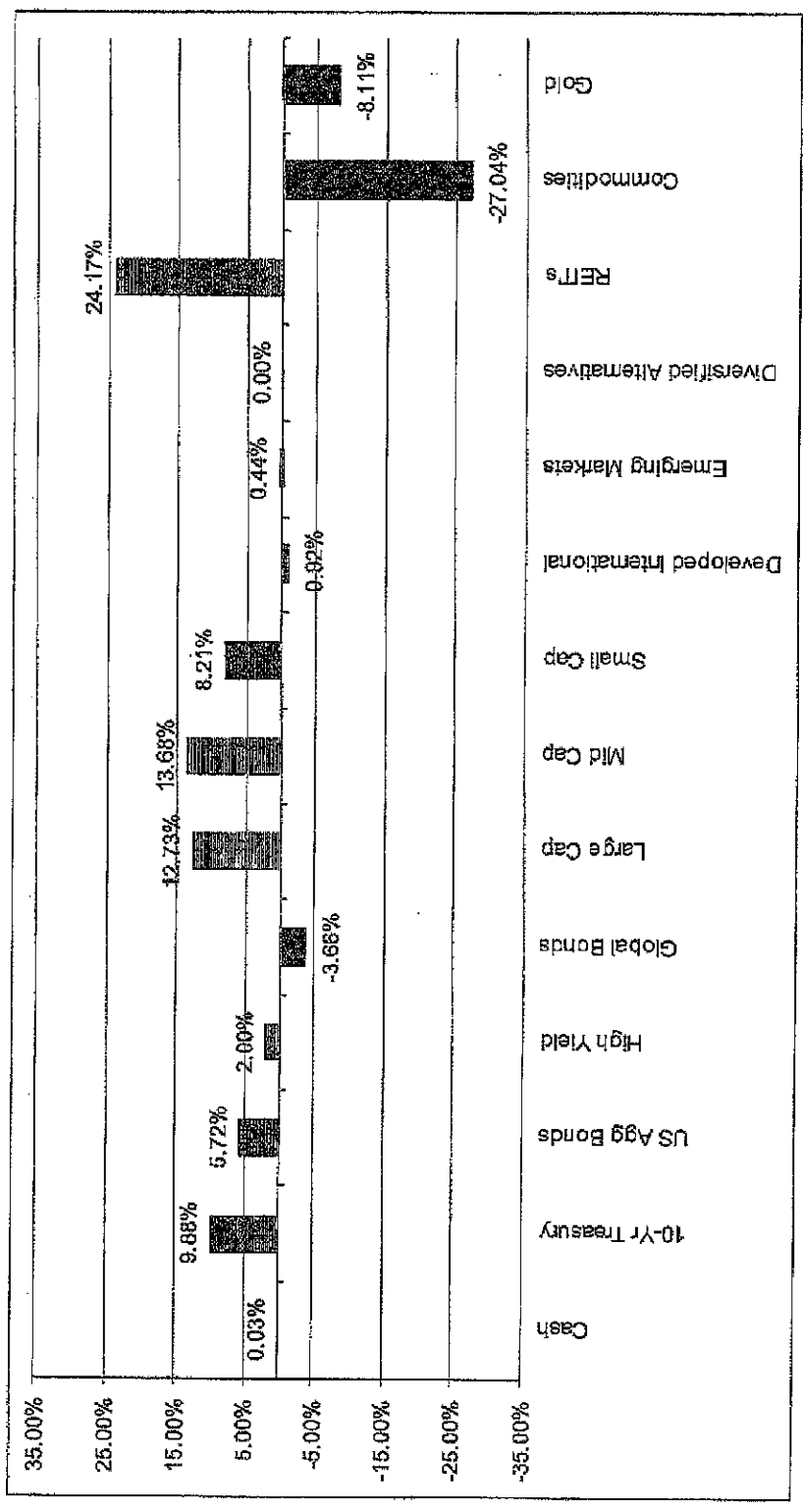
As of 03/31/2015



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# 1-Year Asset Class Returns

As of 03/31/2015



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# Broad Capital Markets Performance

As of 03/31/2015

| Returns, As of 3/31/15      | 1 Month | 3 Month | 1 Year | 3 Year | 5 Year | 10 Year |
|-----------------------------|---------|---------|--------|--------|--------|---------|
| <b>Capital Markets</b>      |         |         |        |        |        |         |
| Dow Jones Industrial Avg    | 1.85%   | 0.85%   | 10.97% | 13.18% | 13.20% | 8.17%   |
| S&P 500 Index               | -1.66%  | 0.85%   | 12.75% | 16.11% | 14.47% | 8.01%   |
| S&P 500 Value Index         | -1.46%  | 0.69%   | 9.12%  | 15.34% | 13.71% | 6.93%   |
| S&P 500 Growth Index        | -1.67%  | 2.47%   | 10.11% | 16.85% | 15.77% | 8.02%   |
| Russell 1000 Index          | 1.25%   | 1.59%   | 12.73% | 16.45% | 14.73% | 8.23%   |
| Russell 1000 Value Index    | -1.85%  | -0.72%  | 9.83%  | 16.44% | 13.75% | 7.21%   |
| Russell 1000 Growth Index   | -1.14%  | 3.24%   | 16.09% | 16.34% | 15.93% | 9.95%   |
| Russell Midcap Index        | 0.00%   | 3.95%   | 13.88% | 18.10% | 15.16% | 10.02%  |
| Russell Midcap Value Index  | 0.18%   | 2.42%   | 11.70% | 18.50% | 15.87% | 8.61%   |
| Russell Midcap Growth Index | 0.28%   | 5.38%   | 15.56% | 17.41% | 16.43% | 10.19%  |
| Russell 2000 Index          | 3.74%   | 4.32%   | 11.21% | 16.27% | 14.57% | 8.52%   |
| Russell 2000 Value Index    | 1.69%   | 1.98%   | 4.43%  | 14.75% | 12.64% | 7.59%   |
| Russell 2000 Growth Index   | 3.97%   | 6.65%   | 12.06% | 17.74% | 16.59% | 10.07%  |
| MSCI EAFE Index             | -1.52%  | 4.89%   | -0.92% | 9.02%  | 8.16%  | 4.95%   |
| MSCI EAFE Value Index       | -1.80%  | 3.98%   | 2.90%  | 8.03%  | 5.27%  | 4.23%   |
| MSCI EAFE Growth Index      | -1.05%  | 5.85%   | 1.05%  | 8.96%  | 6.99%  | 5.60%   |
| MSCI Emerging Markets       | 3.42%   | 2.24%   | 0.84%  | 0.31%  | 7.15%  | 3.46%   |
| MSCI US RET Index           | 1.75%   | 4.76%   | 24.17% | 14.17% | 15.86% | 9.66%   |
| High Yield                  | 0.46%   | 1.01%   | 8.72%  | 3.04%  | 4.41%  | 4.93%   |
| High Yield Value Index      | -0.55%  | 2.52%   | 2.00%  | 7.46%  | 8.59%  | 8.16%   |
| High Yield Growth Index     | 0.57%   | 2.31%   | 5.17%  | 5.32%  | 6.48%  | 3.19%   |

| Yields, As of 3/31/15          | Last Yield        | Prior Month        | 3 Months Ago        | 1 Year Ago        | 3 Years Ago        | 5 Years Ago        |
|--------------------------------|-------------------|--------------------|---------------------|-------------------|--------------------|--------------------|
| <b>Cash &amp; Bond Markets</b> |                   |                    |                     |                   |                    |                    |
| Fed Funds Target               | 0.25%             | 0.25%              | 0.25%               | 0.25%             | 0.25%              | 0.25%              |
| 2-Year Treasury                | 0.55%             | 0.62%              | 0.65%               | 0.49%             | 0.33%              | 1.06%              |
| 10-Year Treasury               | 1.89%             | 1.96%              | 2.17%               | 2.71%             | 2.21%              | 3.67%              |
| Municipal                      | 2.30%             | 2.50%              | 2.38%               | 2.59%             | 3.03%              | 3.76%              |
| <b>Prices, As of 3/31/15</b>   | <b>Last Price</b> | <b>Prior Month</b> | <b>3 Months Ago</b> | <b>1 Year Ago</b> | <b>3 Years Ago</b> | <b>5 Years Ago</b> |
| <b>Commodities</b>             |                   |                    |                     |                   |                    |                    |
| Gold                           | \$1,165.36        | \$1,213.22         | \$1,154.86          | \$1,278.95        | \$1,858.35         | \$1,128.60         |
| Crude Oil                      | \$47.68           | \$49.76            | \$53.27             | \$59.74           | \$103.02           | \$94.87            |
| Gasoline                       | \$2.53            | \$2.42             | \$2.39              | \$3.05            | \$3.97             | \$2.85             |

Sources: Morningstar Direct (Capital Markets return data)

- Domestic large cap equities underperformed mid cap and small cap equities during the first quarter of 2015. For the 1-year period, the S&P 500 index underperformed the Russell Midcap® Index but outperformed the Russell 2000® Index.
- After five consecutive quarters of underperformance, developed international equities outperformed domestic equities in the recent quarter. The MSCI EAFE Index returned 4.88% during the first quarter. However, the S&P 500 Index outperformed the MSCI EAFE Index by 13.65% for the 1-year period.
- Emerging market equities posted a return of 2.24% for the quarter. The 1-year return for the MSCI Emerging Markets Index climbed back into slightly positive territory with a return of 0.44% as of 3/31/15.
- REITs had another quarter of strong results, and the 1-year return was 24.17%. Commodities and gold posted another quarter of losses. Commodities were down more than 25% for the 1-year period.





# Annual Total Return of Key Asset Classes

Through 3/31/2015

|                 | 2001  | 2002 | 2003  | 2004  | 2005  | 2006  | 2007  | 2008  | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | YTD   |
|-----------------|-------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Global Bonds    | 18.4% | 1.6% | 11.2% | 12.5% | 13.5% | 15.2% | 16.5% | 17.8% | 19.1% | 20.4% | 21.7% | 23.0% | 24.3% | 25.6% | 26.9% |
| High Yield      | 5.8%  | 0.2% | 17.2% | 20.5% | 23.8% | 27.1% | 30.4% | 33.7% | 37.0% | 40.3% | 43.6% | 46.9% | 50.2% | 53.5% | 56.8% |
| Alternative     | 2.8%  | 1.0% | 3.2%  | 5.4%  | 7.6%  | 9.8%  | 12.0% | 14.2% | 16.4% | 18.6% | 20.8% | 23.0% | 25.2% | 27.4% | 29.6% |
| Small Cap Blend | 2.4%  | 1.1% | 3.3%  | 5.5%  | 7.7%  | 9.9%  | 12.1% | 14.3% | 16.5% | 18.7% | 20.9% | 23.1% | 25.3% | 27.5% | 29.7% |
| High Yield      | 2.4%  | 1.1% | 3.3%  | 5.5%  | 7.7%  | 9.9%  | 12.1% | 14.3% | 16.5% | 18.7% | 20.9% | 23.1% | 25.3% | 27.5% | 29.7% |
| Global Bonds    | 1.8%  | 0.9% | 3.0%  | 5.1%  | 7.2%  | 9.3%  | 11.4% | 13.5% | 15.6% | 17.7% | 19.8% | 21.9% | 24.0% | 26.1% | 28.2% |
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| High Yield      | 1.8%  | 0.9% | 3.0%  | 5.1%  | 7.2%  | 9.3%  | 11.4% | 13.5% | 15.6% | 17.7% | 19.8% | 21.9% | 24.0% | 26.1% | 28.2% |

Best Performing ← → Worst Performing

Large Cap Blend: S&P 500 Index  
 Large Cap Growth: Russell 1000® Growth Index  
 Large Cap Value: Russell 1000® Value Index  
 Mid Cap Blend: S&P MidCap 400 Index  
 Small Cap Blend: Russell 2000® Index  
 Foreign Stocks: MSCI EAFE Index  
 Global Bonds: Barclays Global Aggregate Bond Index  
 High Yield: Barclays Corporate High Yield Index  
 Bonds: Barclays Capital U.S. Aggregate Bond Index  
 Alternatives: HFRI Fund of Fund Composite Index  
 Emerging Markets: MSCI Emerging Mkts

Past performance is no guarantee of future results. Chart performance is derived from various unmanaged indices, is illustrative in nature and not representative of any specific fund. You cannot invest directly in an index.

Source: Morningstar Direct, Zephyr, Bloomberg

## Key Economic Indicators 1

## GDP GROWTH

|                    |                         |
|--------------------|-------------------------|
| <u>Quarter-End</u> | <u>Previous Quarter</u> |
| 2.28%              | 5.00%                   |

## INFLATION (CPI)

|                  |                       |
|------------------|-----------------------|
| <u>Month-End</u> | <u>Previous Month</u> |
| 0.00%            | -0.10%                |

## CORE INFLATION (CPI)

|                  |                       |
|------------------|-----------------------|
| <u>Month-End</u> | <u>Previous Month</u> |
| 1.70%            | 1.60%                 |

## UNEMPLOYMENT RATE

|                  |                       |
|------------------|-----------------------|
| <u>Month-End</u> | <u>Previous Month</u> |
| 5.50%            | 5.50%                 |

## CONSUMER CONFIDENCE

|                  |                       |
|------------------|-----------------------|
| <u>Month-End</u> | <u>Previous Month</u> |
| 93.00            | 95.40                 |

## CRUDE OIL (WTI)

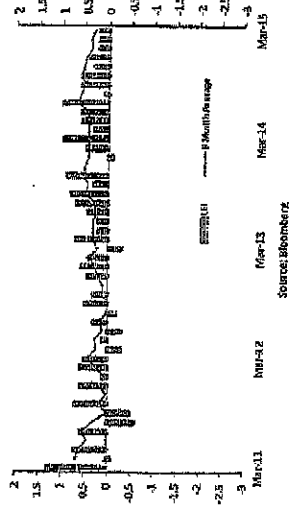
|                    |                 |
|--------------------|-----------------|
| <u>Quarter-End</u> | <u>1 Yr Ago</u> |
| \$47.68            | \$99.74         |

- Fourth quarter 2014 GDP estimates showed growth of 2.2%, compared to 5.0% in the third quarter. Real GDP increased 2.4% in 2014 (from the 2013 annual level to the 2014 annual level), compared to an increase of 2.2% in 2013.
- We expect GDP growth to be in the 2% - 3% range in 2015.
- With energy prices continuing to decline, recent CPI readings, 0.0% in March, have shown no signs of inflation. Food and energy prices are excluded from core inflation due to the volatile nature of their respective prices. At 1.7% year/year, core inflation remains below the 2% lower-end of the Federal Reserve's targeted range and well below the long-term average of roughly 4%.
- The unemployment rate for March remained unchanged from the previous month at 5.5%. The unemployment rate remained below the 50-year average of 6.1%.
- The broader U-6 unemployment rate declined to 10.9% in March from 11.0% in February. This measure includes total unemployed, plus those that are employed part-time but want to be employed full-time, as well as those that are neither working or looking for work but indicate they are willing and available for a job and have looked for work within the past 12 months. The 10-year average for U-6 unemployment is 12.6%.
- The University of Michigan consumer confidence reading was at 93.0 in March, up from the preliminary reading of 91.2 but lower than the 95.4 reading from February.
- Oil prices declined over 10% in the first quarter of 2015 and are down over 50% from a year ago.

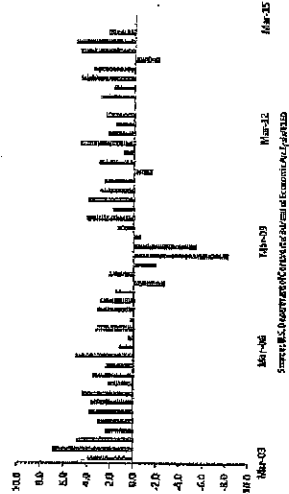
# Economic Review



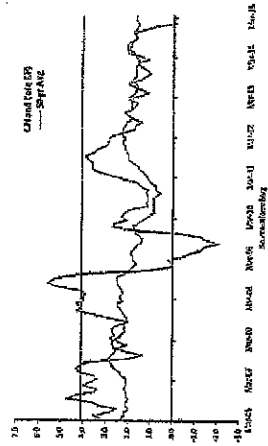
## LEADING INDICATORS



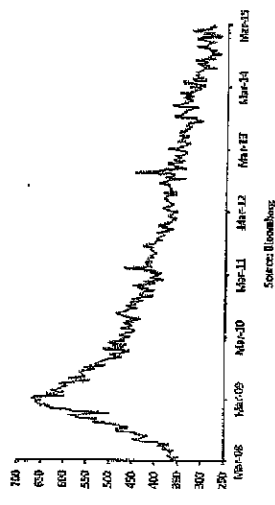
## REAL GDP



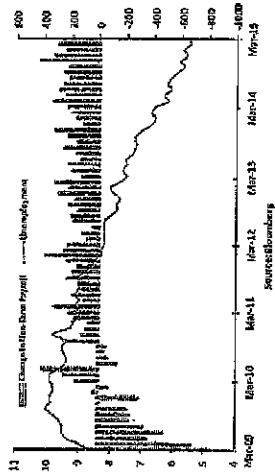
## HEADLINE VS CORE INFLATION



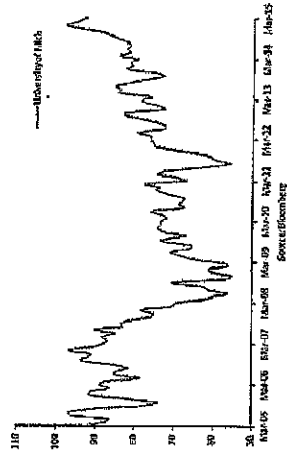
## WEEKLY JOBLESS CLAIMS (in 000s)



## LABOR MARKET & UNEMPLOYMENT



## CONSUMER CONFIDENCE



APRIL 2015

# Performance Review

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# Performance

As of 04/30/2015

## Performance Summary

|                 |            |              |               |
|-----------------|------------|--------------|---------------|
|                 | <b>YTD</b> | <b>1 Yr.</b> | <b>3 Yrs.</b> |
| Total Portfolio | 2.98%      | 7.10%        | 11.84%        |

| Ticker | Fund Name                               | Fund Objective       | Fund Style   | Morningstar Rating | NAV      | 52 Week HI | 52 Week LO | % CHANGE 1 MO | % CHANGE 3 MO | % CHANGE YTD | Cost Basis   | Purchases/Sales | Market Value | Unrealized Gain/(Loss) | Number of Shares | Cost Avg. Share Price |
|--------|---|----------------------|--------------|--------------------|----------|------------|------------|---------------|---------------|--------------|--------------|-----------------|--------------|------------------------|------------------|-----------------------|
| AGPXX  | Invesco Govt & Agri-Inst Fd #1901       | Money Market         | Money Market |                    | \$10.32  | \$10.33    | \$10.30    | 0.0%          | 0.19%         | 0.19%        | 107,469.69   | 0.00            | 107,416.78   | 7.09                   | 10,408,603       | \$10.32               |
| DRFK   | DFA One-Year Fixed Income #5035         | Govt/Credit Index    | Fixed Income | 3 stars            | \$34.47  | \$34.89    | \$30.99    | 2.0%          | 1.41%         | 1.41%        | 257,736.86   | 0.00            | 409,488.40   | 151,731.54             | 11,879,559       | \$21.70               |
| DEWX   | DFA US Large Cap Value                  | Capital Appreciation | Large Value  | 4 stars            | \$190.64 | \$194.71   | \$170.87   | 1.0%          | 1.04%         | 1.04%        | 465,924.90   | 0.00            | 467,681.86   | 1,756.96               | 2,453,220        | \$189.92              |
| VINX   | Vanguard Intl Indx Inst                 | Capital Appreciation | Large Growth | 4 stars            | \$200.11 | \$105.20   | \$93.12    | -0.8%         | 2.13%         | 2.13%        | 422,524.18   | 0.00            | 493,144.86   | 70,620.68              | 4,926,028        | \$85.77               |
| FCMTX  | Fidelity Contra Fund #22                | Track US Mid Cap     | Mid Cap      | 4 stars            | \$35.09  | \$35.82    | \$30.33    | -0.4%         | 3.85%         | 3.85%        | 466,204.54   | 0.00            | 496,764.11   | 30,559.57              | 14,156,857       | \$32.95               |
| VWICX  | Vanguard Mid Cap Index-Inst Fd #VWICX   | Track Small Cap      | Small Cap    | 5 stars            | \$25.93  | \$26.53    | \$22.76    | -1.3%         | 2.13%         | 2.13%        | 269,976.92   | 0.00            | 269,725.93   | 3,349.01               | 10,402,080       | \$25.61               |
| VSIIX  | Vanguard Sm Cap Val Indx-Inst Fd #VSIIX | Track Small Cap      | Small Cap    | 4 stars            | \$57.54  | \$59.41    | \$49.96    | N/A           | N/A           | N/A          | 3,795.84     | 64.00           | 3,682.56     | -113.28                | 64,000           | \$59.31               |
| VSCI   | VANGUARD S/C INDX-INST #VSCI            | US REIT Index        | Real Estate  | 4 stars            | \$112.48 | \$123.70   | \$101.11   | -5.9%         | -2.05%        | -2.05%       | 126,564.23   | 0.00            | 150,703.40   | 24,339.17              | 1,359,824        | \$94.31               |
| VGSIX  | Vanguard REIT Index                     | US REIT Index        | Real Estate  | 4 stars            | \$71.78  | \$75.22    | \$62.19    | 4.8%          | 10.81%        | 10.81%       | 138,763.52   | 0.00            | 143,798.31   | 5,034.79               | 2,003,320        | \$69.27               |
| HAINX  | Harbor International Inst #2911         | Capital Appreciation | Large Growth | 3 stars            | \$29.89  | \$31.03    | \$27.85    | 3.9%          | 6.94%         | 6.94%        | 137,222.65   | 0.00            | 142,212.44   | 4,990.39               | 4,757,860        | \$28.84               |
| NWNI   | MFS Intl New Discovery-1 #0874          | Capital Appreciation | Mid Cap      | 4 stars            | \$45.32  | \$47.55    | \$40.57    | 9.3%          | 7.62%         | 7.62%        | 141,232.24   | 0.00            | 141,974.87   | 742.63                 | 3,132,720        | \$45.08               |
| DDDPX  | Dodge & Cox Intl SIK #1048              | Growth Income        | Large Blend  | 5 stars            | \$36.08  | \$41.61    | \$39.15    | 4.2%          | 2.91%         | 2.91%        | 216,172.26   | 0.00            | 201,613.60   | -14,558.66             | 5,537,960        | \$36.69               |
| ODVX   | Oppenheimer Div Mkts-Y #0788            | Capital Appreciation | Large Growth | 5 stars            |          |            |            |               |               |              | 2,621,993.70 | 64.00           | 3,100,453.39 | 278,459.69             |                  |                       |

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APRIL 2015

# Performance – Portfolio Diversification

As of 04/30/2015



|                               | CURRENT |                                 | PROPOSED |                            |
|-------------------------------|---------|---------------------------------|----------|----------------------------|
|                               | Ticker  | Fund Name                       | Ticker   | Fund Name                  |
| <b>Domestic Equity</b>        |         |                                 |          |                            |
| Large Value                   | DELVX   | DFA US Lg Cap Val/I             | DELVX    | DFA US Lg Cap Val/I        |
| Large Core                    | VINIX   | Vanguard Instl Indx/Inst        | VINIX    | Vanguard Instl Indx/Inst   |
| Large Growth                  | FCNTX   | Fidelity Contra Fund            | PRGFX    | T Rowe Price Gro Stk       |
| Mid Value                     |         |                                 | JVMEX    | John Hancock Mid Cap Value |
| Mid Core                      | VMCIX   | Vanguard Mid Cap Index I        | VMCIX    | Vanguard Mid Cap Index I   |
| Mid Growth                    |         |                                 | PEGZX    | Pru Jenn Mid-Cap Gro/Z     |
| Small Value                   | VSIX    | Vanguard Sm Cp Val Indx-Inst Pd | DFSVX    | DFA US Small Cap Val/I     |
| Small Core                    | VSCIX   | Vanguard Small Cap Index        | VSCIX    | Vanguard Small Cap Index   |
| Small Growth                  |         |                                 | PRNLX    | T Rowe Price New Hzus      |
| <b>International Equity</b>   |         |                                 |          |                            |
| Dev International Value       | DODEX   | Dodge & Cox Intl Stock          | DODEX    | Dodge & Cox Intl Stock     |
| Dev International Core        | HAINX   | Harbor International/Inst       | HAINX    | Harbor International/Inst  |
| Dev International Growth      | MWNIX   | MFS Intl New Discv/I            | MWNIX    | MFS Intl New Discv/I       |
| Emerging Markets              | ODVYX   | Oppenheimer Dev Mkts:Y          | ODVYX    | Oppenheimer Dev Mkts:Y     |
| <b>Real Estate</b>            |         |                                 |          |                            |
| Real Estate                   | VGSLX   | Vanguard REIT Idx Adm           | VGSLX    | Vanguard REIT Idx Adm      |
| <b>Fixed Income</b>           |         |                                 |          |                            |
| Ultra Short Term Fixed Income | DPIHX   | DFA One-Year Fixed Income       |          |                            |

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APRIL 2015

# Asset Allocation Review

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# Tactical Asset Allocation



## Asset Allocation Views

| Current Outlook   |   | Key                  |                     |
|---|---|----------------------|---------------------|
| Improving U.S. economic growth and historically low interest rates favors stocks over bonds |   | ○ = previous quarter | ● = current quarter |
|   |   | Overweight           | Neutral             |
| Stocks vs. Bonds  |   | ○                    | ○                   |
| <b>Equities</b>   |   |                      |                     |
| Large vs. Mid/Small Cap   | Broad economic recovery supports overweight to mid/small cap equities                       | ○                    | ○                   |
| Value vs. Growth  | Broad economic growth supports modest tilt to growth strategies                             | ○                    | ○                   |
| Active vs. Passive  | Favor a combination of active & passive; potentially improving environment for active       | ○                    | ○                   |
| U.S. vs. International  | Growth outlook favors U.S. over international   | ○                    | ○                   |
| Dev. International vs. Emerging   | Negative economic outlook in Europe & strong dollar favors neutral weighting to Dev & EM    | ○                    | ○                   |
| Traditional vs. Alternatives  | Longer term inflationary concerns may provide support to increasing exposure to real assets | ○                    | ○                   |
| <b>Fixed Income</b>   |   |                      |                     |
| Short vs. Long Duration   | Interest rates gradually trending higher favors short duration over long duration           | ○                    | ○                   |
| Treasury/Agency vs. Spread  | More opportunities in certain spread sectors: non-Agency MBS, floating rate, global         | ○                    | ○                   |
| High vs. Low Quality  | Potentially higher interest rate outlook favors companies with strong balance sheets        | ○                    | ○                   |
| U.S. vs International   | Risks in international credit markets, especially EM, favors U.S. overweight                | ○                    | ○                   |
| Traditional vs. Alternatives  | Emphasize low-correlation strategies given potentially higher interest rates                | ○                    | ○                   |

This allocation is intended only to be a guideline as recommended by the members of the investment management group, the Asset Allocation Committee (the AAC) of BOKF, NA. Individual portfolios may vary.



APRIL 2015

## Manager Due Diligence



APRIL 2015

# Manager Due Diligence

As of 03/31/2015

## Manager Objectives & Requirements

Managers are expected to outperform their assigned benchmarks over 3- and 5-year periods, while also maintaining certain risk and selection criteria with consistent management. Managers that do not achieve these objectives are placed on Watch status, while further monitoring and a more in-depth review are completed. Managers currently included on Watch status are listed below.

| Manager                             | Benchmark | Date Placed on Watch | Reason for Watch |
|-------------------------------------|-----------|----------------------|------------------|
| No Current Managers on Watch Status |           |                      |                  |

## IMPORTANT INFORMATION

Unless otherwise indicated, Bloomberg was the data source for all capital market and economic data points presented herein.

The HFRI Fund of Funds Composite has been included to represent performance of diversified alternative investments. Performance is pulled from HFRI and may include preliminary returns.

## DISCLOSURES

The information provided in this was prepared by members of the investment management group, Strategic Investment Advisors (SIA), of BOKF, NA. The information provided herein is intended to be informative and not intended to be advice relative to any investment or portfolio offered through BOK Financial Corporation (NASDAQ:BOKF). The views expressed in this commentary reflect the opinion of the author based on data available as of the date this report was written and is subject to change without notice. This commentary is not a complete analysis of any sector, industry or security. Individual investors should consult with their financial advisor before implementing changes in their portfolio based on opinions expressed. The information provided in this commentary is not a solicitation for the investment management services of any BOKF subsidiary.

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**Investments are not insured by the FDIC and are not guaranteed by BOKF, NA or any of its affiliates. Investments are subject to risks, including the possible loss of the principal amount invested.**

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Ⓢ This information has been compiled for informational purposes. Performance is generated as of the dates indicated. Past performance is not a guarantee of future results. Information is derived from 3<sup>rd</sup> party sources and deemed to be reliable. BOKF, NA is not responsible for errors committed by those 3<sup>rd</sup> party sources.

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**May 21, 2015 at 1:00 pm via Teleconference**  
**700 SW Jackson, Ste 200**  
**Topeka, KS 66603**

The May 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference at 1:02 p.m. on May 21, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk; Sandy Barton, Stanton County Clerk and Phil Dixon, Miami County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland and Mr. Jess Cornejo. Also present was Mr. Rick Flores of Parrish Management Corporation.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended a small change in the agenda, moving Agenda Item 10a, to Agenda Item 4a and re-letter the remaining items under each. Ms. Buttron moved to approve the agenda with these changes. Ms. Barton seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of April 23, 2015." Ms. Garrett moved to approve the minutes with the correction of a typographical error. Mr. Caspers seconded the motion which CARRIED unanimously.

Next, President Garten asked Mr. Parrish to address Agenda Item No. 4a of the Administrator's Report, "Investment Committee Report." Mr. Caspers reported that the committee met with BOK financial. Based on the meeting, the Committee is recommending KWORCC continue investing \$20,000 a month for the next eight months. Mr. Caspers moved to follow the committee's recommendation. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Parrish then proceeded to Agenda Item No. 4b, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Mr. McEvoy moved to approve the checks and ratify the electronic transfers of funds as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Ms. Cox to address Agenda Item No. 4c, "Administrative Law Judge Nominating Committee Update." Ms. Cox reported that the Administrative Law Judge Nominating Committee met in April and decided not to renew Judge Avery's appointment. The job posting is active and they are accepting applications through June 12th. The new judge should be on the bench by August.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for April 2015. Ms. Buttron moved to receive and file the financial reports. Ms. Garrett seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Ms. Garrett moved to approve checks numbered 16519 through 16571 and the direct debits. Ms. Barton seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of May 12, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." As to Agenda Item No. 7a, "Select Claims Review," Ms. Cox reported on a claim and answered questions.

Ms. Cox then discussed Agenda Item No. 7b, "Logicomp Bill Review Report." She reported the amount billed totals \$875,553 for the period beginning January 1, 2015 through April 30, 2015. She said the actual paid amount for that period totals \$510,872, resulting in a net savings of \$364,682 after fees are paid. This is more than 42% of the amount billed for this four-month period. Ms. Cox stated that beginning May 1<sup>st</sup>, CRS has submitted the medical bills to CompTech Medical Cost Containment Services (CompTech). There will be a cross over report for May, as there are still bills pending at Logicomp.

Whereupon, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through 2015. The documents consist of graphs that compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of April 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to report on Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed April, May and June calendars for the loss prevention staff. He stated there have been 208 county contacts so far this year and that more than 500 county workers have completed the defensive driving courses. Next, he reported on the enrollment rates and training completed by the KWORCC membership for the GovU online training. Ms. Bird reminded the board that some counties are signed up with GovU through KCAMP.

President Garten then addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated that the fee fund sweep litigation was still pending before the Kansas Supreme Court. In January the court requested the parties brief additional questions posed by the Justices, and those briefs were filed with the Court. While Mr. Parrish is not able to predict exactly when the Supreme Court will rule, it is likely the decision will come out in the Fall of 2015. If decided in our favor, the case will proceed in district court. If we ultimately win the case, the fee sweeps will be reversed and KWORCC will enjoy reduced assessments by the Kansas Workers Compensation Fund going forward.

President Garten proceeded to Agenda Item No. 10, "Committee Reports." Mr. Parrish indicated the investment committee is scheduled to meet just prior to the July board meeting and the personnel committee will meet just prior to the August board meeting.

President Garten then addressed Agenda Item No. 11, "Other Business." Mr. Parrish reminded the Board and staff of the invitation to Ralph and Norma Unger's 50th Wedding Anniversary celebration.

There being nothing further, Ms. Garret moved to adjourn the meeting at 1:47 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 25th day of June, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**June 25, 2015 at 1:00 pm via Teleconference**  
**700 SW Jackson, Ste 200**  
**Topeka, KS 66603**

The June 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference at 1:04 p.m. on June 25, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk; Sandy Barton, Stanton County Clerk and Phil Dixon, Miami County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant and Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland and Mr. Jess Cornejo.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Ms. Garrett moved to approve the agenda as presented. Mr. McEvoy seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of May 21, 2015." Mr. Caspers moved to approve the minutes as prepared. Ms. Buttron seconded the motion which CARRIED unanimously.

Next, President Garten asked Mr. Parrish to address Agenda Item No. 4a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Ms. Barton moved to approve the checks and ratify the electronic transfers of funds as presented. Mr. McEvoy seconded the motion which CARRIED unanimously.

Mr. Parrish proceeded to Agenda Item No 4b, "Discussion of National PRIMA at Houston Texas." He stated that the conference was well-planned and conducted in an orderly manner. The conference center and hotel were conveniently located. The seminars were generally informative and interesting. The members of the board who had attended concurred that the seminars were very informative and provided examples of what was presented.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for May 2015. Ms. Buttron moved to receive and file the financial reports. Ms. Garrett seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Ms. Garrett moved to approve checks numbered 16572 through 16621 and the direct debits. Ms. Buttron seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of May 31, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." Starting with Agenda Item No. 7a, "Select Claims Review," Ms. Cox reported on a claim, answered questions and requested approval of a pending settlement. Ms. Garrett moved to approve the proposed course of action for claim number 2013045675. Ms. Barton seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "Medical Bill Review Report." She reported the amount billed totals \$1,234,519 for the period beginning January 1, 2015 through May 31, 2015. She said the actual paid amount for that period totals \$693,951, resulting in a net savings of \$540,568. This is more than 44% of the amount billed for this five-month period.

Whereupon, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through 2015. The documents consist of graphs that compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of May 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Eyman to report on Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Eyman reviewed May, June and July calendars for the loss prevention staff. Next, he reported on the enrollment rates and training completed by the KWORCC membership employees who used the GovU online training.

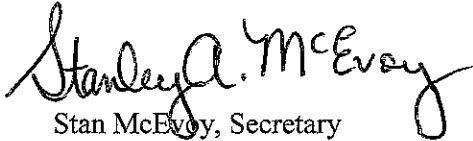
President Garten then addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated there were no legal items to report.

President Garten proceeded to Agenda Item No. 10, "Committee Reports." There were no committee reports.

President Garten then addressed Agenda Item No. 11, "Other Business." There was no other business to come before the board.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 1:35 p.m. Ms. Buttron seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 23rd day of July, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

I, Stan McEvoy, Secretary of Kansas Workers Risk Cooperative for Counties, hereby certify that the following is a true and correct copy of a Resolution duly adopted by unanimous vote of the Board of Trustees of KWORCC at a meeting duly called and held on the 23<sup>rd</sup> day of July, 2015 at which a quorum was present:

## ***RESOLUTION #2015-52***

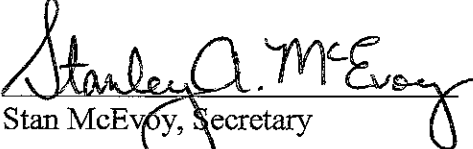
WHEREAS, KWORCC has elected to place investments pursuant to Chapter 40 of Kansas Statutes Annotated, and thus is to comply with the provisions thereof;

WHEREAS, KSA 40-2a01 states, in pertinent part: “[C]ompany...may invest with the direction or approval of a majority of its board of directors or authorized committee thereof, any of its funds, or any part thereof in bonds or other evidences of indebtedness issued, assumed or guaranteed by the United States of America, or by any agency or instrumentality thereof;”

WHEREAS, KWORCC has invested in certain United States instruments during the period December 1, 2014 through June 30, 2015, which have been reviewed by the Board of Trustees. Pursuant to that review, the Board determined said investments to be in accordance with K.S.A. 40-2a01 and KWORCC’s investment policy;

NOW, THEREFORE, it is RESOLVED by the KWORCC Board of Trustees that investment purchases made in United States Government securities from the period December 1, 2014 through June 30, 2015, having been reviewed and determined to be made in accordance with K.S.A. 40-2a01 and KWORCC’s investment policy hereby are approved.

IN WITNESS WHEREOF, the undersigned has caused this Resolution to be executed this 23<sup>rd</sup> day of July, 2015.

  
Stan McEvoy, Secretary



For Trades Executed At: Country Club Bank

| Select Fields   | From Value | To Value   | Seq. | Totals |
|-----------------|------------|------------|------|--------|
| Entity          | 144        | 144        |      | n      |
| Customer Nbr.   | 300121     | 300121     |      | n      |
| Cusip Nbr.      |            |            |      | n      |
| Security ID     |            |            |      | n      |
| Portfolio ID    |            |            |      | n      |
| Salesperson     |            |            |      | n      |
| Enter Date      |            |            |      | n      |
| Trade Date      | 12/01/2014 | 06/30/2015 |      | n      |
| Settle Date     |            | ZZ         |      | n      |
| Bank Eligible   |            |            |      | n      |
| Purch/Sale/Both |            |            |      | b      |
| Int/Mat/Both    |            |            |      | n      |
| Fed Funds       |            |            |      | n      |
| Repo Agmnts     |            |            |      | n      |

For Trades Executed At: Country Club Bank

| Ticker Nbr | Cust S/N | Sec Descrip 1             | Sec Descrip 2 | Sec Descrip 3 | Moody/StdPoor/MktRtg | Bank Elig | Comm Basis | Reg Type/Id | Apr By     | Dt Enter   | Factor       | Face           | Print       |              |
|------------|----------|---------------------------|---------------|---------------|----------------------|-----------|------------|-------------|------------|------------|--------------|----------------|-------------|--------------|
| Deal ID    | Broker   | Call Cd-Dt                | Call Price    | Mat Date      | CPN Rate             | Cloc/PLoc | Pay/Del    | Call Cd-Dt  | Apr Time   | Trade Dt   | Tran Cd      | Par            | Interest    |              |
|            |          |                           |               |               |                      |           |            |             | Fail Del   | Settle Dt  | Ent By       | Basis          | Fees        |              |
|            |          |                           |               |               |                      |           |            |             | Fail Pmt   | Trd Status | Trd For      | Price          | Withholding |              |
|            |          |                           |               |               |                      |           |            |             | Pay/Del    | Buyback    | Yield        | P/L            | Penalty     |              |
|            |          |                           |               |               |                      |           |            |             |            |            |              |                | Total Amt   |              |
| 311143745  | 0        | KWORCC (302)              |               |               |                      |           |            | E/*         |            | 02/09/2015 | 1.0000000000 | 500,000.00     |             | 500,000.00   |
| 300121     |          | FHLB 2.0 STEP UP 4.0      | 2/27/19       |               |                      |           |            | L-02/27/16  |            | 02/09/2015 | Sale         | 500,000.00     |             |              |
| 3130A46T4  |          | QTRLY CALL BEG 5/27/15    |               |               |                      |           |            | 100.000     |            | 02/27/2015 | skml44       | 100.00         |             |              |
| 3130A46T4  |          | MULTI STEP                |               |               |                      |           |            | 02/27/2030  | n-02/27/15 | 09         | BCT          | 100.0000000000 |             |              |
| 032-AGCY   | 0        | Aaa/AA+/                  |               |               |                      |           |            | VAR         | n-02/27/15 | na         |              | .00            |             |              |
|            |          | ccf/ccf                   |               |               |                      |           |            |             | c/ski      | n          | 2.00000000   |                |             | 500,000.00   |
| 311144223  |          | KWORCC (302)              |               |               |                      |           |            | E/*         |            | 02/20/2015 | 1.0000000000 | 1,000,000.00   |             | 1,000,000.00 |
| 300121     |          | FANNIE MAE                |               |               |                      |           |            | C-09/18/15  |            | 02/20/2015 | Sale         | 1,000,000.00   |             |              |
| 3136G2FJ1  |          | QTRLY CALL BEG 9/18/15    |               |               |                      |           |            | 100.000     |            | 03/18/2015 | skml44       | 100.00         |             |              |
| 3136G2FJ1  |          | Aaa/NR/                   |               |               |                      |           |            | 09/18/2020  | n-03/18/15 | 09         | BCT          | 100.0000000000 |             |              |
| 011-APP    | 0        |                           |               |               |                      |           |            | 2.0         | n-03/18/15 | na         |              | .00            |             |              |
|            |          | ccf/ccf                   |               |               |                      |           |            |             | c/ski      | n          | 2.00000000   |                |             | 1,000,000.00 |
| 311144227  |          | KWORCC (302)              |               |               |                      |           |            | E/*         |            | 02/20/2015 | 1.0000000000 | 1,000,000.00   |             | 1,011,450.00 |
| 300121     |          | FEDERAL HOME LOAN BANK    |               |               |                      |           |            | C-10/05/15  |            | 02/20/2015 | Purch        | 1,000,000.00   |             |              |
| 313382NJB  |          | ONE TIME CALL 10/05/15    |               |               |                      |           |            | 100.000     |            | 02/23/2015 | skml44       | 101.145        |             | 11,500.00    |
| 313382NJB  |          | /AA+/                     |               |               |                      |           |            | 04/05/2023  | n-02/23/15 | 09         | BCT          | 101.1450000000 |             |              |
| 032-AGCY   | 0        |                           |               |               |                      |           |            | 3.0         | n-02/23/15 | na         |              | .00            |             |              |
|            |          | ccf/ccf                   |               |               |                      |           |            |             | c/sko      | n          | 1.13000000   |                |             | 1,022,950.00 |
| 311144849  |          | KWORCC (302)              |               |               |                      |           |            | /           |            | 03/05/2015 | 1.0000000000 | 1,000,000.00   |             | 999,996.50   |
| 300121     |          | U.S. Treasury Bills       |               |               |                      |           |            |             |            | 03/05/2015 | Sale         | 1,000,000.00   |             |              |
| 912796E28  |          | //                        |               |               |                      |           |            | .000        |            | 03/05/2015 | skml44       | 0.00900        |             |              |
| 912796E28  |          | //                        |               |               |                      |           |            | 03/19/2015  | n-03/05/15 | 09         | BCT          | 99.9996500000  |             |              |
| 027-TBILL  | 0        |                           |               |               |                      |           |            |             | n-03/05/15 | na         |              | .00            |             |              |
|            |          | ccf/ccf                   |               |               |                      |           |            |             | c/ski      | n          | .00900000    |                |             | 999,996.50   |
| 297012469  |          | KWORCC (302)              |               |               |                      |           |            | E/*         |            | 04/27/2015 | 1.0000000000 | 245,000.00     |             | 245,000.00   |
| 300121     |          | JP MORGAN CHASE BANK CD   |               |               |                      |           |            | C-05/13/16  |            | 04/27/2015 | Sale         | 245,000.00     |             |              |
| 48125YBV5  |          | QTRLY CALL BEG 05/13/2016 |               |               |                      |           |            | 100.000     |            | 05/13/2015 | jmwl44       | 100.00         |             |              |
| 48125YBV5  |          | FDIC #628 COLUMBUS, OHIO  |               |               |                      |           |            | 11/13/2020  | n-05/13/15 | 09         | BCT          | 100.0000000000 |             |              |
| 083-CDRP   | 0        | //                        |               |               |                      |           |            | 2.00        | n-05/13/15 | na         |              | .00            |             |              |
|            |          | ccd/ccd                   |               |               |                      |           |            |             | c/ski      | n          | 2.00000000   |                |             | 245,000.00   |
| 311147143  |          | KWORCC (302)              |               |               |                      |           |            | E/*         |            | 04/30/2015 | 1.0000000000 | 800,000.00     |             | 800,000.00   |
| 300121     |          | FHLB 1.0 STEP UP 1.5      | 5/26/16       |               |                      |           |            | C-08/26/15  |            | 04/30/2015 | Sale         | 800,000.00     |             |              |
| 3130ASARO  |          | QTRLY CALL BEG 8/26/15    |               |               |                      |           |            | 100.000     |            | 05/26/2015 | skml44       | 100.00         |             |              |
| 3130ASARO  |          | MULTI STEP                |               |               |                      |           |            | 05/26/2022  | n-05/26/15 | 09         | BCT          | 100.0000000000 |             |              |
| 011-APP    | 0        | Aaa/AA+/                  |               |               |                      |           |            | VAR         | n-05/26/15 | na         |              | .00            |             |              |
|            |          | ccf/ccf                   |               |               |                      |           |            |             | c/ski      | n          | 1.00000000   |                |             | 800,000.00   |

Trade History Report  
Country Club Bank

For Trades Executed At: Country Club Bank

| Ticket Nbr  | Cust S/N               | Sec Descr 1              | Sec Descr 2 | Sec Descr 3           | Moody/Stcfloor/MktRtg | Bank Elig  | Comm Basis   | Reg Type/Id  | Apr By       | Dt Enter     | Factor       | Face         | Print |
|-------------|------------------------|--------------------------|-------------|-----------------------|-----------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|-------|
| Cust Nbr    | Sec Descr 1            | Sec Descr 2              | Sec Descr 3 | Moody/Stcfloor/MktRtg | Bank Elig             | Comm Basis | Reg Type/Id  | Apr By       | Dt Enter     | Factor       | Face         | Print        |       |
| Call Cd-Dt  | Apr Date               | Trade Dt                 | Tran Cd     | Settle Dt             | Trd For               | Yield      | E/*          | Pay/Del      | Buyback      | 1.0000000000 | 1,250,000.00 | 1,250,000.00 |       |
| Mat Price   | Fail Time              | Settle Dt                | Ent By      | Trd For               | Yield                 | E/*        | Pay/Del      | Buyback      | 1.0000000000 | 1,250,000.00 | 1,250,000.00 | 16,519.10    |       |
| CPN Rate    | Fail Del               | Conv                     | Trd For     | Yield                 | E/*                   | Pay/Del    | Buyback      | 1.0000000000 | 1,250,000.00 | 1,250,000.00 | 16,519.10    | 1,266,519.10 |       |
| Choc/FLoc   | Pay/Del                | Buyback                  | Yield       | E/*                   | Pay/Del               | Buyback    | 1.0000000000 | 1,250,000.00 | 1,250,000.00 | 16,519.10    | 1,266,519.10 | 250,000.00   |       |
| 297010706   | KWORCC (302)           | FEDERAL HOME LOAN BANK   |             |                       |                       |            |              |              |              |              |              |              |       |
| 300121      |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 3133XVNU1   | Aaa/AA+                |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 3133XVNU1   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 032 Agcy 0  |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 170004528   | KWORCC (302)           | SYNCHRONY BANK C.D.      |             |                       |                       |            |              |              |              |              |              |              |       |
| 300121      |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 87164WFC7   | DRAPER, UT FDIC #27314 |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 87164WFC7   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 083-cdrrp 0 |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 297012225   | KWORCC (302)           | U.S. Treasury Bills      |             |                       |                       |            |              |              |              |              |              |              |       |
| 300121      |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 912796DG1   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 912796DG1   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 027-TB11 0  |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 297012361   | KWORCC (302)           | FEDERAL FARM CREDIT BANK |             |                       |                       |            |              |              |              |              |              |              |       |
| 300121      |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 3133ECLE2   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 3133ECLE2   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 032-Agcy 0  |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 311143594   | KWORCC (302)           | U.S. Treasury Notes      |             |                       |                       |            |              |              |              |              |              |              |       |
| 300121      |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 912828H78   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 912828H78   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 028-TN15 0  |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 311143690   | KWORCC (302)           | U.S. Treasury Notes      |             |                       |                       |            |              |              |              |              |              |              |       |
| 300121      |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 912828VCI   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 912828VCI   |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |
| 028-TN15 0  |                        |                          |             |                       |                       |            |              |              |              |              |              |              |       |

Interest Fees  
Withholding Penalty  
Total Amt

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**Meeting, Board of Trustees  
Kansas Workers Risk Cooperative for Counties  
July 23, 2015 at 1:00 p.m.  
Clubhouse Inn  
924 SW Henderson Road  
Topeka, KS 66615**

The July 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:01 p.m. on July 23, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk and Sandy Barton, Stanton County Clerk.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist and Mr. Bruce Woner, General Counsel.

CORnerstone Risk Solutions (CRS) was represented by Mr. Paul Davis, Ms. Tina Cox, Ms. Amanda Chamberland and Mr. Jess Cornejo. Also present was Ms. Beth Byrne of Parrish Management Corporation.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish suggested the addition of Agenda Item No. 4 "Resignation of Phil Dixon" and renumber the subsequent items. He also suggested the following modifications: Item 5b, add the word "excerpt", Item No. 5e add the phrase "RFP" to the end. Ms. Garrett moved to approve the agenda with those modifications. Ms. Barton seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of June 25, 2015." Buttron moved to approve the minutes as prepared. Mr. McEvoy seconded the motion which CARRIED unanimously.

Under Agenda Item No. 4, "Resignation of Phil Dixon," Mr. Parrish reported that he received a telephone call from Mr. Dixon who indicated his desire to resign from the KWORCC Board of Trustees. Mr. Dixon explained that as newly-elected Commissioner of Miami County, he now realizes the work load is greater than he anticipated. To perform at the level he wishes to for his constituency, Mr. Dixon must limit other commitments. Mr. Dixon indicated that he has enjoyed his time on the Board and very much appreciates the services KWORCC provides for Kansas county government. Mr. Parrish stated that KWORCC staff is in the process of researching candidates in the Southeast District. Ms. Garrett moved to accept Phil Dixon's resignation. Mr. Caspers seconded the motion which CARRIED unanimously.

Next, President Garten asked Mr. Parrish to address Agenda Item No. 5a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Ms. Buttron moved to approve the checks and ratify the electronic transfers of funds as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Parrish proceeded to Agenda Item No 5b, "Bond Portfolio Internet Presentation Excerpt." He reported the Investment Committee met and viewed a video presentation by Chris Thompson who could not be here. A summary portion of the video was played for the entire Board.

Mr. Parrish asked Ms. Cox to discuss Agenda Item No. 5c, "Administrative Law Judge Selection Update." Ms. Cox reported that 10 applications were received. Of those, two applicants did not meet the

minimum requirements, and four applicants have been selected for interviews. Those interviews will begin next week to select who will be appointed.

Mr. Parrish then asked Mr. Eyman to address Agenda Item No. 4d, "Edwards County Fall Claim." Mr. Eyman reported on the facts of the accident and the resulting injury, including pictures.

Mr. Parrish then addressed Agenda Item No. 5e, "Vehicle Search RFP." He stated that Mr. Eyman's vehicle has over 105,000 miles and needs to be replaced. KWORCC staff has prepared a Request for Proposal that will be finalized and distributed to the Chevrolet, Ford and Dodge vendors.

Mr. Parrish proceeded to Agenda Item No. 5f, "FY 2016 Mileage and Meal Reimbursement." He stated that KWORCC follows the state mileage and meal reimbursements rates. Those to be used beginning July 1, 2015 are published in the Agenda booklet.

Mr. Parrish then introduced Ms. Beth Byrne to the Board under Agenda Item No. 5g. Mr. Parrish stated that Mr. Alexander is going to be reducing his work load and Ms. Byrne will be learning KWORCC's accounting procedures and requirements from Mr. Alexander through the end of the year. The plan is to have her able to take over the majority of the accounting by the first of the year. Mr. Alexander will stay involved at least through the end of the upcoming audit. President Garten welcomed Ms. Byrne and thanked her for her willingness to serve KWORCC.

President Garten then proceeded to Agenda Item No. 6, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten proceeded to Agenda Item No. 7, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for June 2015. Ms. Buttron moved to receive and file the financial reports. Ms. Garrett seconded the motion which CARRIED unanimously.

Mr. Alexander then presented the Kansas Insurance Department (KID) Quarterly Filing, as of June 30, 2015. Ms. Buttron moved to approve the report for filing with KID, as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register. Ms. Garrett moved to approve checks numbered 16622 through 16659 and the direct debits as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of July 14, 2015.

President Garten addressed Agenda Item No. 8, "Claims Report - CRS." Starting with Agenda Item No. 8a, "Select Claims Report," Ms. Cox reported on claims, answered questions and requested approval of two pending settlements. Ms. Garrett moved to approve the proposed course of action for claim number 2008035308. Ms. Buttron seconded the motion which CARRIED unanimously. Mr. McEvoy moved to approve the proposed course of action for claim number 2013045476. Mr. Caspers seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 8b, "CompTech Bill Review Report." She reported CompTech has achieved net savings of 56% of medical billed for May and June, 2015. She pointed out that compared to the prior vendor KWORCC enjoys greater preferred provider savings beyond the Kansas fee schedule.

Whereupon, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 8c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through June 30, 2015. The documents consist of graphs that compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of June 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to report on Agenda Item No. 9, "Loss Prevention and County Visits." Mr. Mann reviewed June, July and August calendars for the loss prevention staff. He stated that the staff made 264 county contacts with members. Mr. Ben Woner is now certified to offer defensive driving classes. The staff is looking into online flagger training via National Safety Council. Next, he reported on the enrollment rates and training completed by the KWORCC membership employees who used the GovU online training.

President Garten then addressed Agenda Item No. 10, "Legal Report." Mr. Parrish and Mr. Bruce Woner each stated there were no legal items to report.

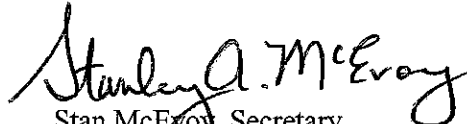
President Garten proceeded to Agenda Item No. 11, "Committee Reports." Under Item 11a, "Investment Committee," Mr. Caspers reported that the Investment Committee met prior to the Board meeting and recommended the Board adopt KWORCC Resolution #2015-52. Mr. Caspers moved that the Board follow the committee's recommendation. Ms. Barton seconded the motion which CARRIED unanimously.

President Garten reminded the board that there will be a personnel committee meeting before the August board meeting.

President Garten then addressed Agenda Item No. 12, "Other Business." There was no other business to come before the board.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 2:03 p.m. Ms. Buttron seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 20th day of August, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

Phil Dixon  
605 N. 16<sup>th</sup> Street  
Louisburg, Kansas 66053  
(913) 980-5818  
dr.phil1944@yahoo.com

July 23, 2015

Steve Garten, President  
Kansas Workers Risk Cooperative for Counties  
700 SW Jackson Street  
Suite 200  
Topeka, Kansas 66603

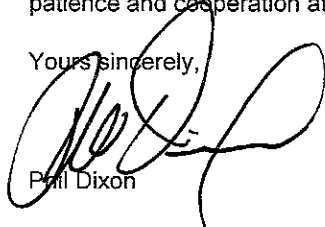
Dear President Garten:

The purpose of this letter is to advise you of my resignation from the Kansas Workers Risk Cooperative for Counties (KWORCC) Board of Trustees, effective immediately. As you may know, this is my first term as Miami County Commissioner. The position is much more extensive than I anticipated and I find that I must cut back on other activities to perform as Commissioner as I wish to for my constituency. Accordingly, I believe it is in the best interest of both KWORCC and me that I step down from my board responsibilities at this time.

If any clarification is needed in this matter, please do not hesitate to contact me. My phone number is (913) 980-5818 and my email address is dr.phil1944@yahoo.com.

I have enjoyed working with KWORCC Board and Staff and am honored to have served Kansas county government in that capacity. Let me take this opportunity to thank you and the other KWORCC Board members for your valuable service. I wish the organization continued success and thank you for your patience and cooperation at this time.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Phil Dixon', written over a printed name.

Phil Dixon

## Minutes

Meeting, Investment Committee

Kansas Worker Risk Cooperative for Counties

Clubhouse Inn - Conference Room

924 SW Henderson Rd., Topeka KS 66615

July 23, 2015

On Thursday, July 23, 2015 at 12:15 p.m. the Investment Committee of the Kansas Workers Risk Cooperative for Counties ("KWORCC") met at the Clubhouse Inn, Topeka, Kansas. The meeting was called to order by Committee Chairman Gary Caspers. Committee Members participating included: Gary Caspers, Cloud County Commissioner, and Stan McEvoy, Decatur County Commissioner. Also present were KWORCC Administrator, Jim Parrish, KWORCC Deputy Administrator and Loss Prevention Manager, Carl Eyman and KWORCC President, Steve Garten.

Chairman Caspers asked for approval of the Agenda. Mr. McEvoy moved to approve the agenda as published. Mr. Caspers seconded the motion which CARRIED unanimously. Chairman Caspers asked for approval of Minutes dated May 21, 2015. Mr. McEvoy moved to approve the minutes as published. Mr. Caspers seconded the motion which CARRIED unanimously.

Chairman Caspers asked for consideration of KWORCC Resolution No. 2015-52, with the attached itemization of purchases and sales of US Government securities from the period beginning December 1, 2014 to June 30, 2015. The Committee reviewed the investment transactions and the resolution. Mr. McEvoy moved that the Investment Committee recommend that the KWORCC Board of Trustees adopt KWORCC Resolution 2015-52. Mr. Caspers seconded the motion which CARRIED unanimously.



Chairman Caspers asked for fixed asset update. Mr. Parrish explained that Mr. Christopher B. Thompson, Executive Vice-President at Country Club Bank furnished a pre-recorded report. Mr. Eyman played the recording for the Committee.

Mr. Thompson reported that KWORCC's bond portfolio is invested in top grade United States Government/Agency bonds and FDIC insured bank certificates of deposit. He said that as of June 30, 2015, the portfolio was comprised of 27 holdings that trade in liquid markets so they can easily and quickly be converted to cash. As of that date, the par value was \$20,680,000, market value was \$20,485,615 (unrealized loss of 1.39% of book value), the likely maturity was 6.25 years and the average coupon rate was 1.97%, with average yield of 1.84%.

Next, Mr. Thompson discussed market themes that are impacting the portfolio. These include the United States Treasury exiting the bond market since May of 2013 and the anticipation of interest rate increases. Next there are fears of European recession due to market instability in Greece. Also, currently, out of 23 countries that issue 5-year sovereign debt, 18 of them are at a lower yield than the 5-year United States Treasury. This makes purchasing United States Treasury Bonds attractive because common sense dictates that Spain, Italy and Portugal would not be able to sell their debt at higher prices and lower yields than the United States. Finally, Mr. Thompson believes recent decline in oil prices technically is positive for the bond market. He pointed out that oil has dropped 40% over the past 12 months and yet OPEC maintains its target daily output, despite burgeoning production growth from United States drillers and weakening global demand.

Going forward, Mr. Thompson explained that he is sticking to the requirements of liquidity and yield for the KWORCC bond portfolio. Economic indicators are not helpful. For example, the gross domestic product was -0.2% for the first quarter of 2015, and many are adjusting for the second quarter being 2% or 3%. Investment strategy will be a mixture of buying nominal yields above 2% with bonds and certificates of deposit and

seeking yield curve roll opportunities. Although yields are thought to be higher in 2015, it is not likely to be dramatic, and range-bound yields are still likely. Thus, KWORCC can expect a stable return on its bond portfolio investments.

There being no further business, Mr. McEvoy moved to adjourn the meeting. Mr. Caspers seconded the motion which CARRIED unanimously.

THE FOREGOING MINUTES of the Investment Committee of Kansas Workers Risk Cooperative for Counties were executed by the Chair of that Committee on December 17, 2015.



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Gary Caspers, Chair

KWORCC Investment Committee

**Minutes**  
**Meeting, Personnel Committee**  
**Kansas Worker Risk Cooperative for Counties**  
**August 20, 2015**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

On Thursday, August 20, 2015, the Personnel Committee of the Kansas Workers Risk Cooperative for Counties ("KWORCC") met at the Clubhouse Inn, Topeka, Kansas. The meeting was called to order by Committee Chair Michelle Garrett at 12:17 p.m. Committee Members participating included: Michelle Garrett, Morris County Clerk; Steven Garten, Barber County Commissioner and Stan McEvoy, Decatur County Commissioner. Also present was James W. Parrish, KWORCC Administrator.

Chairman Garrett asked if there were any changes to the minutes dated February 19, 2015. Mr. McEvoy moved to approve the minutes as written. Dr. Garten seconded the motion which CARRIED unanimously.

Whereupon, Chairman Garrett called upon Mr. Parrish to discuss personnel issues. Mr. Parrish reported on educational opportunities pursued by staff. Next, he reviewed the KWORCC health insurance policy renewal. Whereupon Mr. Parrish went over an addendum to the Parrish Management Corporation (PMCorp) office sharing agreement, providing for administrative services for a fee of \$11,500 per month. Lastly, Mr. Parrish presented research and pay history of KWORCC employees with regard to cost of living (COLA) adjustment for 2016.

Chairman Garrett asked for recommendations from the Committee to the full Board of Trustees with regard to the items discussed. Dr. Garten moved to recommend approval of the health insurance policy, the addendum to the PMCorp office sharing agreement and a 3% COLA for KWORCC staff in 2016. Mr. McEvoy seconded the motion which CARRIED unanimously.

There being no further business to come before the KWORCC Personnel Committee, Mr. McEvoy moved to adjourn the meeting at 12:56 p.m. Dr. Garten seconded the motion which CARRIED unanimously.

THE FOREGOING MINUTES of the Personnel Committee of Kansas Workers Risk Cooperative for Counties were executed by the Chair of that Committee on the 18<sup>th</sup> day of February, 2016.



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Steve Garten, Chair  
KWORCC Personnel Committee

**Meeting, Board of Trustees  
Kansas Workers Risk Cooperative for Counties  
August 20, 2015 at 1:00 p.m.  
Clubhouse Inn  
924 SW Henderson Road  
Topeka, KS 66615**

The August 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:04 p.m. on August 20, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk and Sandy Barton, Stanton County Clerk.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Ms. Beth Byrne, Accountant; and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland and Mr. Jess Cornejo.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the addition of Agenda Item No 4c, "Claims Reopened for Running Award." Mr. McEvoy moved to approve the agenda with that modification. Ms. Garrett seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of July 23, 2015." Ms. Garrett moved to approve the minutes with typographical corrections. Mr. Caspers seconded the motion which CARRIED unanimously.

Next, President Garten asked Mr. Parrish to address Agenda Item No. 4a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Ms. Buttron moved to approve the checks and ratify the electronic transfers of funds as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Ms. Cox to address Agenda Item No 4b, "Excess Carrier Audit-Adjustments to Claims Loss Data." Ms. Cox reported that Lisa Johnson with Safety National reviewed cases with CRS and recommended an increase in reserves on two pending claims.

Ms. Cox then addressed Agenda Item No. 4c, "Claims Reopened for Running Award." Ms. Cox explained that CRS formerly classified claims that were resolved except for potential future medical payments as, "Closed Running Award." In July, CRS determined to change the classification on these claims to, "Open Running Award." As a result, the claims reports show an increase in the number of open claims. Ms. Bird clarified that this reclassification has not resulted in new liability for KWORCC in that medical only claims have been, and will continue to be, reflected in KWORCC's financial statements as "IBNR" (incurred but not reported).

Next, Mr. Parrish addressed Agenda Item No. 4d, "Report on Vehicle Acquisition." Mr. Parrish stated that KWORCC had requested and received several attractive bids for a new vehicle for loss prevention staff. The selected 2015 Dodge truck was priced at \$42,000; the dealer allowed a \$17,000 trade for KWORCC's 2012 Chevy truck and rebates of \$6,000 resulted in net payment of \$19,610 after administrative fees.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for July 2015. Mr. McEvoy moved to receive and file the financial reports. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register. Ms. Garrett moved to approve checks numbered 16660 through 16698 and the direct debits as presented. Ms. Buttron seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of August 11, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." Starting with Agenda Item No. 7a, "Select Claims Report," Ms. Cox reported on claims, answered questions and requested approval of two pending settlements. Mr. McEvoy moved to approve the proposed course of action for claim number 2008035308. Mr. Caspers seconded the motion which CARRIED unanimously. Ms. Buttron moved to approve the proposed course of action for claim number 2010039863. Ms. Garrett seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." She reported CompTech has achieved net savings of 56% of medical billed for May through July, 2015.

Whereupon, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through July 31, 2015. The documents consist of graphs that compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of July 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to report on Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed July, August and September calendars for the loss prevention staff. He stated the loss prevention staff has had 316 county contacts so far this year. Next, he reported on the enrollment rates and training completed by the KWORCC membership employees who used the GovU online training. Mr. Mann also stated that Kansas Department of Labor has been out in the counties doing inspections and some of the counties have requested assistance.

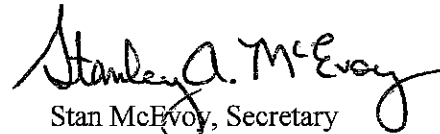
President Garten then addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated there were no legal items to report.

President Garten proceeded to Agenda Item No. 10, "Committee Reports." Under Item 10a, "Personnel Committee," He asked Mr. Parrish to recap the meeting. Mr. Parrish reported that Blue Cross Blue Shield is asking for a 3.5% increase in health insurance premiums. The committee is recommending KWORCC accept that proposal. Second, the committee is recommending changing the Parrish Management contract to include the administrator. Finally, the committee discussed a cost of living adjustment (COLA) for KWORCC staff and is recommending a 3% COLA increase for 2016. Ms. Garrett moved to adopt all three of the committee's recommendations. Ms. Barton seconded the motion, which CARRIED unanimously.

President Garten then addressed Agenda Item No. 11, "Other Business." Ms. Bird stated that prior to the October Board meeting photos will be taken. The first photo shoot will be the staff at 12:30 p.m., October 22, 2015, to be immediately followed by the Board members.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 1:54 p.m. Mr. McEvoy seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 24th day of September, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**September 24, 2015 at 1:00 pm via Teleconference**  
**700 SW Jackson, Ste 200**  
**Topeka, KS 66603**

The September 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference at 1:04 p.m. on September 24, 2015 in Topeka by Board Vice-President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk and Sandy Barton, Stanton County Clerk.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist; Ms. Beth Byrne, Accountant; and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Mr. Paul Davis, Ms. Amanda Chamberland and Mr. Jess Cornejo. Also present was Mr. Sam Cargnel of Centric Actuarial Solutions.

Vice-President Caspers first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the addition of Agenda Item No 2b, "Excuse Dr. Garten from the meeting." Ms. Buttron moved to approve the agenda with that modification. Mr. McEvoy seconded the motion which CARRIED unanimously.

Under Agenda Item No. 2a, Ms. Buttron moved to excuse Dr. Garten from the meeting. Ms. Garrett seconded the motion which CARRIED unanimously.

Vice-President Caspers addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of August 20, 2015." Ms. Garrett moved to approve the minutes as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Next, Vice-President Caspers asked Mr. Parrish to address Agenda Item No. 4a of the Administrator's Report, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Mr. Parrish itemized the checks for approval and described the electronic transfers of funds to be ratified. Mr. McEvoy moved to approve the checks and ratify the electronic transfers of funds as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Mr. Cargnel to address Agenda Item No 4b, "KWORCC Actuarial Update." Mr. Cargnel reported that after review of loss data and discussion with KWORCC and CRS staff, he made adjustments to the ultimate loss projections for years 2001 to 2014 with a total decrease of approximately \$300,000. Based upon the losses reported for the first eight months of 2015, Mr. Cargnel's loss forecast for 2015 decreased from \$4.4 million to \$3.9 million. He said the average cost per claim has been flat at approximately \$8,000 for the past seven years. Additionally, the frequency of claims has generally been trending downward. Next he discussed his findings for 2016, concluding that the loss pick would be approximately \$1.55 per \$100 of payroll. Based upon the payroll estimates from the membership, the ultimate loss for 2016 is projected to be \$3.9 million. Mr. Cargnel then asked for and responded to questions. Vice-President Caspers thanked Mr. Cargnel.

Mr. Parrish then asked Mr. Eyman to address Agenda Item No. 4c, "Magnetic Signs for KWORCC Loss Prevention Trucks." Mr. Eyman stated for advertising and to promote member access to staff, the KWORCC staff worked with a local sign company to create magnetic signs for the KWORCC trucks. He then requested feedback and answered questions.

Next, Mr. Parrish asked Ms. Bird to address Agenda Item No. 4d, "KAC Vendor Booth and KWORCC Annual Meeting Update." Ms. Bird reviewed the activities KWORCC will be involved in at the Kansas Association of Counties Conference. A map of the booth location and the schedule for those working the booth are included in the Board packet. She then reviewed the nominees for the trustees received thus far and stated that she has received 33 delegate forms for annual meeting participants.

Vice-President Caspers then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

Vice-President Caspers proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for August 2015. Ms. Garrett moved to receive and file the financial reports. Ms. Buttron seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register. Ms. Barton moved to approve checks numbered 16699 through 16742 and the direct debits as presented. Mr. McEvoy seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of September 15, 2015.

Vice-President Caspers addressed Agenda Item No. 7, "Claims Report - CRS." Starting with Agenda Item No. 7a, "CompTech Bill Review Report." Ms. Chamberland reported CompTech has achieved net savings of 55% of medical billed for May through August, 2015.

Next, Mr. Davis explained the "Policy Year Performance Review" under Agenda Item No. 7b. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through August 31, 2015. The documents consist of graphs that compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of August 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

Vice-President Caspers called upon Mr. Mann to report on Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed August, September and October calendars for the loss prevention staff. He stated the loss prevention staff has had 325 county contacts so far this year. Next, he reported on the enrollment rates and training completed by the KWORCC membership employees who used the GovU online training.

Vice-President Caspers then addressed Agenda Item No. 9, "Legal Report." Mr. Parrish reported that the Supreme Court has remanded the fee funds sweeps case back to the District Court. It was found that the pool does have standing to challenge the constitutionality of the Kansas Legislature's actions. The Court also ruled the case was not barred as a political question.

Vice-President Caspers proceeded to Agenda Item No. 10, "Committee Reports." There were none.

Vice-President Caspers then addressed Agenda Item No. 11, "Other Business." Mr. Parrish reminded everyone that there will be photographs before the October Board Meeting.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 1:53 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 22nd day of October, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees



**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**October 22, 2015 at 1:00 pm**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

The October 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:00 p.m. on October 22, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk and Sandy Barton, Stanton County Clerk.

Staff participating included Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist; Ms. Beth Byrne, Accountant; Mr. Bruce Woner, General Counsel and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland and Mr. Jess Cornejo.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. McEvoy moved to approve the agenda as presented. Ms. Buttron seconded the motion which CARRIED unanimously.

President Garten addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of September 24, 2015." Ms. Buttron moved to approve the minutes as presented. Ms. Garrett seconded the motion which CARRIED unanimously.

Next, President Garten addressed Agenda Item No. 4a, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Upon review, Mr. McEvoy moved to approve the checks and ratify the electronic transfers of funds as itemized. Mr. Caspers seconded the motion which CARRIED unanimously.

As to Agenda Item No. 4b "KWORCC Budget 2016," the Board addressed the proposed 2016 budget in relation to the budget for 2015. Ms. Barton moved to approve the 2016 proposed budget as published. Ms. Garrett seconded the motion which CARRIED unanimously.

Next, for Agenda Item No. 4c, "KWORCC Annual Meeting Update," Ms. Bird reviewed the activities KWORCC will be involved in at the Kansas Association of Counties Conference. In addition, she reviewed the nominees for KWORCC Board of Trustees received thus far and stated that KWORCC has received 52 delegate forms for annual meeting participants.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions. He also discussed the claims training schedule.

President Garten proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for September 2015. Ms. Buttron moved to receive and file the financial reports. Ms. Garrett seconded the motion which CARRIED unanimously.

Mr. Alexander then presented the 2015 Third Quarterly report for submission to the Kansas Insurance Department. Mr. McEvoy moved to approve filing the report as proposed. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register. Ms. Garrett moved to approve checks numbered 16743 through 16784 and the direct debits as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of October 13, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." Starting with Agenda Item No. 7a, "CompTech Bill Review Report." Ms. Cox reported CompTech has achieved net savings of 52% of medical billed for May through September, 2015.

Next, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 7b. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through September 30, 2015. The documents consist of graphs that compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of September 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to report on Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed September, October and November calendars for the loss prevention staff. He stated the loss prevention staff has had 375 county contacts so far this year. Next, he reported on the enrollment rates and training completed by the KWORCC membership employees who used the GovU online training.

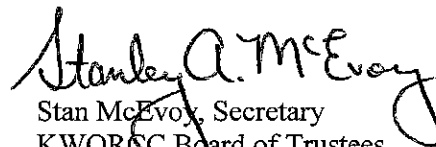
President Garten then addressed Agenda Item No. 9, "Legal Report." Mr. Bruce Woner stated there was no legal report.

President Garten proceeded to Agenda Item No. 10, "Committee Reports." There were no committee reports.

President Garten then addressed Agenda Item No. 11, "Other Business." Ms. Bird announced that KWORCC Board and staff are invited to the 50<sup>th</sup> wedding anniversary of former Trustee Mr. Jim Wise.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 1:56 p.m. Mr. McEvoy seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 17<sup>th</sup> day of December, 2015.

  
Stan McEvoy, Secretary  
KWORCC Board of Trustees

***Minutes of the KWORCC***  
***Annual Meeting***  
**Hyatt Regency - Eagle Grand Ballroom FGH**  
**400 West Waterman**  
**Wichita, Kansas 67202**  
**November 4, 2015**

The Annual Meeting of Kansas Workers Risk Cooperative for Counties (KWORCC) was held on November 4, 2015 in Wichita at the Hyatt Regency Hotel. Trustees attending included Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk and Sandy Barton, Stanton County Clerk.

Staff Present: Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Benjamin Woner, Loss Prevention Specialist; Ms. Beth Byrne, Accountant; and Mr. Ralph D. Unger, Member Services Representative.

Others present for KWORCC: Mr. Paul Davis, Mr. Jess Cornejo, Ms. Tina Cox and Ms. Amanda Chamberland of CORnerstone Risk Solutions.

Vice-President Caspers called the meeting to order at 5:02 p.m. and verified that a quorum was present.

Member County representatives were present as follows: Sherrie L. Riebel, Allen County Clerk, Delegate; Phyllis Gettler, Anderson County Clerk, Delegate; Janice A. Fine, Chautauqua County Clerk, Delegate; Pat Collins, Cherokee County Commissioner, Delegate; Gary Caspers, Cloud County Commissioner, Delegate; Wayne Wilt, Cowley County Commissioner, Delegate; Stan McEvoy, Decatur County Commissioner, Delegate; Craig Chamberlin, Dickinson County Commissioner, Delegate; Shari Kaminska, Elk County Commissioner, Delegate; Dean Haselhorst, Ellis County Commissioner, Delegate; Kermit Rush, Ellsworth County Commissioner, Delegate; Brenda Pogue, Ford County Register of Deeds, Alternate; Steven W. Harris, Franklin County Commissioner, Delegate; R. Ben Bennett, Geary County Commissioner, Delegate; Michael R. Gillespie, Gove County Commissioner, Delegate; Nikki Schwerdfeger, Hamilton County Commissioner, Delegate; Carla Pence, Harper County Commissioner, Delegate; Rick Piepho, Harvey County Clerk, Alternate; Michael McNair, Hodgeman County Commissioner, Delegate; Rob Ladner, Jackson County Commissioner, Delegate; Linda M. Buttron, Jefferson County Clerk, Delegate; Dwight S. Frost, Jewell County Commissioner, Delegate; Al Joe Wallace, Lincoln County Commissioner, Delegate; Dan Slater, Lyon County Commissioner, Delegate; Randy Dalke, Marion County Commissioner, Alternate; Sonya Stohs, Marshall County Clerk, Delegate; Bonnie E. "Rob" Roberts, Miami County Commissioner, Delegate; Mike Cooper, Mitchell County Commissioner, Alternate; Michelle Garrett, Morris County Clerk, Delegate; Randy Bane, Morton County Commissioner, Delegate; Fred Flax, Ness County Commissioner, Delegate; Charles Posson, Norton County Commissioner, Delegate; Kenneth Kuykendall, Osage County Commissioner, Delegate; Alfred Reif, Osborne County Commissioner, Delegate; Max Dibble, Phillips County Commissioner, Delegate; Deloyce McKee, Pottawatomie County Commissioner, Delegate; Lisa Woody, Rawlins County Commissioner, Delegate; William D. Oswalt, Rice County Commissioner, Delegate; Dennis Elias, Rush County Commissioner, Alternate; Gary Skibbe, Scott County Commissioner, Delegate; Doyle Kauk, Sheridan County Commissioner, Alternate; Ken Klemm, Sherman County Commissioner, Alternate; Shane Stimatze, Stafford County Commissioner, Delegate; Joe Thompson,

Stevens County Commissioner, Delegate; Byron Sowers, Thomas County Commissioner, Delegate; Wesley Hobbs, Trego County Commissioner, Delegate and Jacalyn Mai, Wallace County Clerk, Alternate.

Vice-President Caspers then addressed Agenda Item No. 2, "Approval of the Agenda." Dean Haselhorst, Ellis County Commissioner, moved to approve the agenda as presented. Nikki Schwerdfeger, Hamilton County Commissioner, seconded the motion which CARRIED unanimously.

Vice-President Caspers addressed Agenda Item No. 3, "Consideration of the Minutes of the Meeting of November 13, 2014." Kenneth Kuykendall, Osage County Commissioner, moved to approve the minutes with a correction. Ken Klemm, Sherman County Commissioner, seconded the motion which CARRIED unanimously.

Vice-President Caspers next addressed Agenda Item No. 4, "Election of KWORCC Trustees." He announced that there were four positions open, with nominations received for the following: Bonnie "Rob" Roberts, Miami County Commissioner, for the Southeast District; Stan McEvoy, Decatur County Commissioner, incumbent for the Northwest District; Steve Garten, Barber County Commissioner, incumbent, for the South Central District; Gary Caspers, Cloud County Commissioner, incumbent for the North Central District. Vice-President Caspers then asked for nominations from the floor. There were no further nominations. Vice-President Caspers called for a motion to close nominations. Lisa Woody, Rawlins County Commissioner, moved to close nominations and cast a unanimous ballot. Mike Cooper, Mitchell County Commissioner, seconded the motion which CARRIED unanimously.

Vice-President Caspers addressed the membership, pursuant to Agenda Item No. 5, "Status Report." He emphasized appreciation to the delegates and alternates for participating and continuing support of their government risk pool.

Vice-President Caspers then introduced the members of the KWORCC Board of Trustees, the KWORCC staff and the representatives from Parrish Management Corporation and CORnerstone Risk Solutions. He discussed the current status of KWORCC membership, noting that the pool has 82 members including 71 county members, two hospitals, four rural water districts, an airport authority and four county instrumentalities.

Vice-President Caspers explained that the KWORCC Board consists of county elected officials who serve as trustees. The board meets each month and has three primary committees consisting of the Investment Committee, the Personnel Committee and the Audit Committee that meet periodically and make recommendations to the full board.

Vice-President Caspers reported that KWORCC has more than \$22 Million in assets and is stronger than ever. Many members will see a decrease in premiums for 2016. He said KWORCC continues to strive to keep premiums down, thus for a fifth year in a row, the Trustees have committed substantial reserve funds to reduce premiums in 2016. He explained that this also rewards members for continued loyalty. Vice-President Caspers said another strategy for reducing premiums is that KWORCC highlights continuous promotion of workplace safety.

Vice-President Caspers then called upon Mr. Richard Alexander to address Agenda Item No. 6, "Financial Report." Mr. Alexander presented the statement of financial condition and statement of operations as of September 30, 2015. He then asked for and responded to questions.

Vice-President Caspers asked that Messrs. Carl Eyman, Brandon Mann and Ben Woner, address Agenda Item No. 7, "Safety Services Report." Mr. Mann reported on the loss prevention staff's visits to counties for training and inspections. In 2015 they performed a total of 373 county visits including

inspections and trainings. He encouraged the member representatives to contact KWORCC to schedule safety training and to take advantage of the online training and safety videos available for check out from KWORCC's extensive video library.

Mr. Woner then explained that loss prevention staff will deliver plaques to the members who have the best loss ratios in three categories created according to premium. The 2014 awards are as follows:

| <u>Premium</u>            | <u>Winners</u>  | <u>Loss Ratio</u>    |
|---------------------------|---|----------------------|
| 0-\$50,000                | 1 <sup>st</sup> – Wallace County<br>2 <sup>nd</sup> – Morton County<br>3 <sup>rd</sup> – Edwards County | 0.0%<br>0.1%<br>0.4% |
| \$51,000—<br>\$125,000    | 1 <sup>st</sup> – Rice County<br>2 <sup>nd</sup> – Gove County<br>3 <sup>rd</sup> – Neosho County       | 0.0%<br>0.1%<br>0.7% |
| Greater than<br>\$125,000 | 1 <sup>st</sup> – Sumner County<br>2 <sup>nd</sup> – Reno County<br>3 <sup>rd</sup> – Ellis County      | 3.0%<br>7.1%<br>9.2% |

Mr. Eyman advised that KWORCC staff is working with CORnerstone to provide on-site claims training for KWORCC members.

Vice-President Caspers asked Mr. Alexander to address Agenda Item No. 8, "Presentation of 2016 Budget." Mr. Alexander reviewed the budget with the membership and explained that it had been approved by the Board of Trustees at the October board meeting in accordance with the bylaws.

Vice-President Caspers addressed Agenda Item No. 9, "Other Business."

There being no further business, Michelle Garrett, Morris County Clerk, moved to adjourn the meeting at 5:20 p.m. Michael R. Gillespie, Gove County Commissioner, seconded the motion which CARRIED unanimously.

Respectfully Submitted for Approval



Linda M. Buttron, Secretary

**Minutes**  
**Meeting, Board of Trustees**  
**Kansas Workers Risk Cooperative for Counties**  
**December 17, 2015 at 1:00 pm**  
**Clubhouse Inn**  
**924 SW Henderson Road**  
**Topeka, KS 66615**

The December 2015 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:03 p.m. on December 17, 2015 in Topeka by Board President Steve Garten. Trustees attending included: Steve Garten, Barber County Commissioner, President; Gary Caspers, Cloud County Commissioner, Vice-President; Stan McEvoy, Decatur County Commissioner, Secretary; Michelle Garrett, Morris County Clerk, Controller; Linda Buttron, Jefferson County Clerk and Sandy Barton, Stanton County Clerk. Also present was Trustee elect Mr. Bonnie E. Roberts, Miami County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist; Ms. Beth Byrne, Accountant and Mr. Ralph D. Unger, Member Services Representative.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox, Ms. Amanda Chamberland and Mr. Jess Cornejo.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the addition of two items: No. 2a "Ratification to Reappoint James W. Parrish as Administrator" and the addition of a discussion of the sweep case under the Legal Report. Ms. Garrett moved to approve the agenda with those additions. Mr. McEvoy seconded the motion which CARRIED unanimously.

Mr. McEvoy moved to ratify the reappointment of James W. Parrish as KWORCC Administrator. Ms. Barton seconded the motion which CARRIED unanimously.

President Garten addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of October 22, 2015." Mr. Caspers moved to approve the minutes as presented. Ms. Garrett seconded the motion which CARRIED unanimously.

Next, President Garten addressed Agenda Item No. 4a, "Checks Requiring Board Approval and Ratification of Electronic Transfer of Funds." Upon review, Mr. McEvoy moved to approve the checks and ratify the electronic transfers of funds as itemized. Mr. Caspers seconded the motion which CARRIED unanimously.

As to Agenda Item No. 4b "New Trustee - Bonnie E. 'Rob' Roberts, Miami County Commissioner - Elected Southeast District," Mr. Parrish then welcomed Mr. Roberts, Miami County Commissioner, who was elected at the KWORCC Annual meeting to fill the Southeast District Representative position vacated by Mr. Phil Dixon. Mr. Roberts stated that he is eager to learn about how the Board works and is excited to get started. He hopes that his contribution is beneficial. In addition to other public service, Mr. Roberts has served as commissioner for seven years. He has lived in Miami County since 1985.

Next, for Agenda Item No. 4c, "Contracts," Mr. Parrish asked Ms. Bird to explain. Ms. Bird presented the contract between KWORCC and CORnerstone Risk Solutions (CRS). She then presented the contract renewal for Parrish Management Corporation for rent and office sharing services. Ms. Bird then presented the storage space lease renewal with Jayhawk Tower Partners. Next, she discussed the terms of agreements with GovU (online education program for the membership), Kansas Association of Counties and Master Lock | FieldID

(inspection tool used by loss prevention staff). Ms. Bird recommended approval of these contracts and agreements. Mr. McEvoy moved to approve the contract renewals. Ms. Buttron seconded the motion which CARRIED unanimously.

Mr. Parrish then addressed Agenda Item No. 4d, "2016 Premiums Approval." Mr. Parrish presented a worksheet itemizing data and proposed 2016 premiums for each member. KWORCC's members include 72 counties and 11 county instrumentalities for 2016. After discussion, Ms. Garrett moved to approve the premiums as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Mr. Garten declared a short break in the meeting at 2:06pm. The meeting resumed at 2:15pm.

Mr. Parrish then presented the "KDOA Information Circular No. 16-A-011" under Agenda Item No. 4e. It is included in the board packet for information purposes. This circular shows the newly-adopted reimbursement rate for meals to be used by KWORCC Board and Staff.

Ms. Bird then addressed Agenda Item No. 4f, "Schedule 2016 KWORCC Board Meetings." After discussion, the following dates were chosen for KWORCC Board meetings in 2016: Thursday, January 21 via teleconference; Thursday, February 18; Thursday, March 17 via teleconference; Thursday, April 28; Thursday, May 19 via teleconference; Thursday, June 23 via teleconference; Thursday, July 21; Thursday, August 25 via teleconference; Thursday September 22; Thursday, October 20; Wednesday, November 16 (Annual Meeting) and Thursday, December 15. The annual meeting is planned to coincide with the annual conference of the KAC beginning Tuesday, November 15. Ms. Barton moved to approve the dates with all of the meetings beginning at 1:00 p.m., except January which will start at 2:15 p.m. Ms. Garrett seconded the motion which CARRIED unanimously.

President Garten then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities and responded to questions.

President Garten proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for October and November 2015. Ms. Garrett moved to receive and file the financial reports. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register. Mr. Caspers moved to approve checks numbered 16785 through 16861 and the direct debits as presented. Mr. McEvoy seconded the motion which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of December 9, 2015.

President Garten addressed Agenda Item No. 7, "Claims Report - CRS." Ms. Cox reported on a claim and answered questions. She then requested approval of the claim settlement. Ms. Garrett moved to approve the proposed course of action for claim number 2014069397. Mr. Caspers seconded the motion which CARRIED unanimously.

Ms. Cox then proceeded to Agenda Item No. 7b, "CompTech Bill Review Report." Ms. Cox reported CompTech has achieved net savings of 53% of medical billed for May through November, 2015.

Next, Mr. Cornejo explained the "Policy Year Performance Review" under Agenda Item No. 7b. This analytical review generated by CRS shows KWORCC's claim history for policy years 2011 through November 30, 2015. The documents consist of graphs that compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He said the charts reflect the performance status as of the end of November 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Garten called upon Mr. Mann to report on Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed November, December and January calendars for the loss prevention staff. He stated the loss prevention staff has had 412 county contacts so far this year. Next, he reported on the enrollment rates and training completed by the KWORCC membership employees who used the GovU online training.


President Garten then addressed Agenda Item No. 9, "Legal Report." Mr. Parrish reported on the sweep case and stated that Mike O'Neal is in settlement discussions with the state. A summary email was sent to all trustees for their review.

President Garten moved to Agenda Item No. 10, "Committee Reports." Under Item 10a, "Investment Committee," Mr. Caspers reported that the Investment Committee met prior to the Board meeting and recommended the Board adopt KWORCC Resolution #2015-110. Mr. Caspers moved that the Board follow the committee's recommendation; Ms. Garrett seconded the motion which CARRIED unanimously. Mr. McEvoy further moved that KWORCC continue to invest \$20,000 a month in the equities market for the next six months unless circumstances in the market dictate otherwise. Ms. Garrett seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 11, "Other Business." Ms. Bird presented samples for shirt orders for KWORCC Board and staff. She requested everyone make their selections today. Ms. Bird also requested that signatories on the KWORCC accounts complete the paperwork today.

There being no further business, Ms. Barton moved to adjourn the meeting at 3:18 p.m. Mr. McEvoy seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 21st day of January, 2016.

  
Michelle Garrett, Secretary  
KWORCC Board of Trustees



**Minutes**  
**Meeting, Investment Committee**  
**Kansas Worker Risk Cooperative for Counties**  
**Clubhouse Inn - Conference Room**  
**924 SW Henderson Rd., Topeka KS 66615**  
**December 17, 2015**

On Thursday, December 17, 2015 at 12:18 PM the Investment Committee of Kansas Workers Risk Cooperative for Counties ("KWORCC") met at the Clubhouse Inn, Topeka, Kansas. The meeting was called to order by Committee Chair, Gary Caspers. Committee Members participating included: Stan McEvoy, Decatur County Commissioner and Gary Caspers, Cloud County Commissioner. Also present was KWORCC Administrator, Jim Parrish, and KWORCC President and Barber County Commissioner Steven Garten. BOK Financial appeared by Stephen R. Page and Brandon Holle.

Chairman Caspers called the meeting to order at 12:18 PM. Mr. McEvoy moved to approve the Agenda as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Chairman Caspers asked consideration of the minutes of the Committee's meeting on July 23, 2015. Mr. McEvoy made a motion to approve the minutes as presented. Mr. Caspers seconded the motion which CARRIED unanimously.

Whereupon, Chairman Caspers asked for presentation by BOK Financial. Messrs. Page and Holle of BOK Financial presented a review of the KWORCC equity investment portfolio. The review of capital asset class returns showed that returns have been largely muted over the past year. With respect to equity returns over the past 12 months, domestic stocks enjoyed 3-4%

returns but foreign bonds had negative results. Emerging markets stocks have been exceptionally depressed as commodity prices and the strong U.S. dollar have penalized those economies. The KWORCC equity portfolio returned nearly three percent for the period ending 11/30/2015, and had an annualized return of 10.22% over the past three years. The Committee also reviewed information relating to the specific holdings in the portfolio with commentary from Mr. Holle. Mr. Page emphasized it is a principle of BOK Financial that diversification of the portfolio will reduce market risk. Messrs. Page and Holle also talked about various criteria used to select mutual funds and retention standards as well. Then followed discussion about the outlook for equities. While BOK Financial is not bearish on stocks, they are guarded. Slow economic growth along with above-average historical valuations could dampen future returns. The medium-term forecast for equities is in the 5% to 8% range, below recent levels experienced by KWORCC's portfolio, but considerably higher than forecasts for other asset classes.

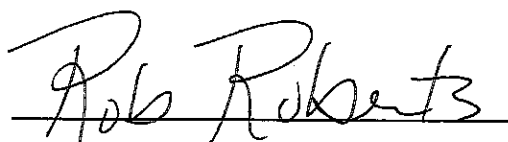
Mr. Parrish confirmed that continuing equity investments at the rate of \$20,000 per month for the next six months was in compliance with KWORCC's Investment Guidelines.

Whereupon, Mr. McEvoy moved to recommend that the KWORCC Board of Trustees that KWORCC invest \$20,000 per month in equities for six month beginning in February of 2016, subject to review no later than July 21, 2016 and to recommend that the KWORCC Board of Trustees adopt KWORCC Resolution 2015-110. Mr. Caspers seconded the motions which CARRIED unanimously.

Next, the Committee took up KWORCC Resolution 2015-110 with attached itemization of investment purchases made in United States Government securities from the period July 1, 2015 through November 30, 2015. Upon review, the Committee determined, by unanimous consent, that the transactions were in accordance with KWORCC Investment Policy and K.S.A. 40-2a01 and agreed to convey this to the entire board.

There being no further business to come before the Committee, Mr. McEvoy moved to adjourn the meeting. Mr. Caspers seconded the motion which CARRIED unanimously.

THE FOREGOING MINUTES of the Investment Committee of Kansas Workers Risk Cooperative for Counties were executed by the Chair of that Committee on July 21, 2016.

A handwritten signature in black ink that reads "Rob Roberts". The signature is written in a cursive style and is positioned above a horizontal line.

Rob Roberts, Chair

KWORCC Investment Committee

I, Stan McEvoy, Secretary of Kansas Workers Risk Cooperative for Counties, hereby certify that the following is a true and correct copy of a Resolution duly adopted by unanimous vote of the Board of Trustees of KWORCC at a meeting duly called and held on the 17<sup>th</sup> day of December, 2015 at which a quorum was present:

## ***RESOLUTION #2015-110***

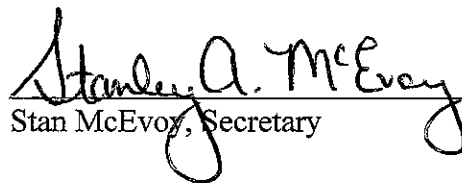
WHEREAS, KWORCC has elected to place investments pursuant to Chapter 40 of Kansas Statutes Annotated, and thus is to comply with the provisions thereof;

WHEREAS, KSA 40-2a01 states, in pertinent part: “[C]ompany...may invest with the direction or approval of a majority of its board of directors or authorized committee thereof, any of its funds, or any part thereof in bonds or other evidences of indebtedness issued, assumed or guaranteed by the United States of America, or by any agency or instrumentality thereof;”

WHEREAS, KWORCC has invested in certain United States instruments during the period July 1, 2015 through November 30, 2015, which have been reviewed by the Board of Trustees. Pursuant to that review, the Board determined said investments to be in accordance with K.S.A. 40-2a01 and KWORCC’s investment policy;

NOW, THEREFORE, it is RESOLVED by the KWORCC Board of Trustees that investment purchases made in United States Government securities from the period July 1, 2015 through November 30, 2015, having been reviewed and determined to be made in accordance with K.S.A. 40-2a01 and KWORCC’s investment policy hereby are approved.

IN WITNESS WHEREOF, the undersigned has caused this Resolution to be executed this 17<sup>th</sup> day of December, 2015.

  
Stan McEvoy, Secretary

Trade History Report  
Country Club Bank

For Trades Executed At: Country Club Bank

| Select Fields   | From Value | To Value   | Seq. | Totals |
|-----------------|------------|------------|------|--------|
| Entity          | 144        | 144        |      | n      |
| Customer Nbr.   | 300121     | 300121     |      | n      |
| Cusip Nbr.      |            |            |      | n      |
| Security ID     |            |            |      | n      |
| Portfolio ID    |            |            |      | n      |
| Salesperson     |            |            |      | n      |
| Enter Date      |            |            |      | n      |
| Trade Date      | 07/01/2015 | 11/30/2015 |      | n      |
| Settle Date     |            |            |      | n      |
| Bank Eligible   |            | ZZ         |      | n      |
| Purch/Sale/Both |            |            |      | b      |
| Int/Mat/Both    |            |            |      | n      |
| Fed Funds       |            |            |      | n      |
| Repo Agmnts     |            |            |      | n      |

For Trades Executed At: Country Club Bank

| Ticket Nbr | Cust S/N             | Reg Type/Id | Apr By     | Dt Enter   | Factor       | Face          | Prin        |
|------------|----------------------|-------------|------------|------------|--------------|---------------|-------------|
| Cust Nbr   | Sec Descrip 1        | Call Cd-Dt  | Apr Date   | Trade Dt   | Tran Cd      | Par           | Interest    |
| Cusip      | Sec Descrip 2        | Call Price  | Apr Time   | Settle Dt  | Ent By       | Basis         | Fees        |
| Security   | Sec Descrip 3        | Mat Date    | Fail Del   | Trd Status | Trd For      | Price         | Withholding |
| Port ID    | Moody/StcPoor/Mktrtg | CPN Rate    | Fail Pmt   | Conv       | Yield        |               | Penalty     |
| Deal ID    | Broker               | Cloc/PLoc   | Pay/Del    | Buyback    |              |               | Total Amt   |
| 311149578  | KWORCC (302)         | E/*         |            | 07/06/2015 | 1.0000000000 | 350,000.00    | 349,890.63  |
| 300121     | U.S. Treasury Notes  |             |            | 07/06/2015 | Purch        | 350,000.00    | 126.02      |
| 912828VC1  |                      | .000        |            | 07/07/2015 | skm144       | 99.96875      | .00         |
| 912828VC1  |                      | .25         | n-07/07/15 | 09         | BCT          | 99.968750000  | .00         |
| 028-tnts   | //                   | ccf/ccf     | c/sko      | na         |              |               | .00         |
| 0          |                      |             |            | n          | .2870000     |               | 350,016.65  |
| 311150583  | KWORCC (302)         | E/*         |            | 08/10/2015 | 1.0000000000 | 700,000.00    | 700,735.00  |
| 300121     | U.S. Treasury Notes  |             |            | 08/10/2015 | Purch        | 700,000.00    | 669.40      |
| 912828A59  |                      | .000        |            | 08/10/2015 | skm144       | 100.105       | .00         |
| 912828A59  |                      | .625        | n-08/10/15 | 09         | BCT          | 100.105000000 | .00         |
| 028-tnts   | //                   | ccf/ccf     | c/sko      | na         |              |               | .00         |
| 0          |                      |             |            | n          | .5470000     |               | 701,404.40  |
| 311151661  | KWORCC (302)         | E/*         |            | 09/08/2015 | 1.0000000000 | 150,000.00    | 149,888.67  |
| 300121     | U.S. Treasury Notes  |             |            | 09/08/2015 | Purch        | 150,000.00    | 118.21      |
| 912828VC1  |                      | .000        |            | 09/08/2015 | skm144       | 99.92578125   | .00         |
| 912828VC1  |                      | .25         | n-09/08/15 | 09         | BCT          | 99.925781250  | .00         |
| 028-TNTS   | //                   | ccf/ccf     | c/sko      | na         |              |               | .00         |
| 0          |                      |             |            | n          | .3590000     |               | 150,006.88  |
| 311152076  | KWORCC (302)         | E/*         |            | 09/17/2015 | 1.0000000000 | 100,000.00    | 99,925.78   |
| 300121     | U.S. Treasury Notes  |             |            | 09/17/2015 | Purch        | 100,000.00    | 85.60       |
| 912828VC1  |                      | .000        |            | 09/18/2015 | skm144       | 99.92578125   | .00         |
| 912828VC1  |                      | .25         | n-09/18/15 | 09         | BCT          | 99.925781250  | .00         |
| 028-TNTS   | //                   | ccf/ccf     | c/sko      | na         |              |               | .00         |
| 0          |                      |             |            | n          | .3630000     |               | 100,011.38  |
| 297013380  | KWORCC (302)         | E/*         |            | 10/07/2015 | 1.0000000000 | 400,000.00    | 400,125.00  |
| 300121     | U.S. Treasury Notes  |             |            | 10/07/2015 | Purch        | 400,000.00    | 396.74      |
| 912828VC1  |                      | .000        |            | 10/08/2015 | jmw144       | 100.03125     | .00         |
| 912828VC1  |                      | .25         | n-10/08/15 | 09         | BCT          | 100.031250000 | .00         |
| 028-TNTS   | //                   | ccf/ccf     | c/sko      | na         |              |               | .00         |
| 0          |                      |             |            | n          | .1980000     |               | 400,521.74  |
| 311153517  | KWORCC (302)         | E/*         |            | 11/06/2015 | 1.0000000000 | 250,000.00    | 250,292.97  |
| 300121     | U.S. Treasury Notes  |             |            | 11/06/2015 | Purch        | 250,000.00    | 596.13      |
| 912828A91  |                      | .000        |            | 11/09/2015 | skm144       | 100.1171875   | .00         |
| 912828A91  |                      | .750        | n-11/09/15 | 09         | BCT          | 100.117187500 | .00         |
| 028-TNTS   | //                   | ccf/ccf     | c/sko      | na         |              |               | .00         |
| 0          |                      |             |            | n          | .6500000     |               | 250,889.10  |

For Trades Executed At: Country Club Bank

| Ticket Nbr | Cust S/N             | Reg Type/Id | Apr By   | Dt Enter   | Factor     | Face     | Prin        |
|------------|----------------------|-------------|----------|------------|------------|----------|-------------|
| Cust Nbr   | Sec Descrip 1        | Call Cd-Dt  | Apr Date | Trade Dt   | Tran Cd    | Par      | Interest    |
| Cusip      | Sec Descrip 2        | Call Price  | Apr Time | Settle Dt  | Ent By     | Basis    | Fees        |
| Security   | Sec Descrip 3        | Mat Date    | Fail Del | Trd Status | Trd For    | Price    | Withholding |
| Port ID    | Moody/StdPoor/Mktrtg | CPN Rate    | Fail Pmt | Conv       | Sales Crdt | Dlr Comm | Penalty     |
| Deal ID    | Broker               | CLOC/FLOC   | Pay/Del  | Buyback    | Yield      | P/L      | Total Amt   |

Report Totals

Par: 1,950,000.00  
 Fees: .00  
 Prin: 1,950,058.05  
 Int: 1,992.10  
 Total: 1,952,050.15