

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
January 21, 2016 at 2:15 pm via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The January 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference at 2:20 p.m. on January 21, 2016 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 and Mr. Jess Cornejo.

President Garten first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended two additions to the agenda. Item No. 2a "Excuse Rob Roberts" and Agenda Item No. 4a, "Recognition of Dr. Steve Garten as outgoing president." Ms. Garrett moved to approve the agenda with those additions. Ms. Buttron seconded the motion which CARRIED unanimously.

President Garten asked for a motion to excuse Mr. Roberts from the meeting. Mr. Caspers so moved. Ms. Barton seconded the motion which CARRIED unanimously.

President Garten then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of December 17, 2015." Ms. Garrett 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. 4, "Election of Officers and Establish Committees." Mr. Parrish then described the slate of officers recommended by staff after consultation with the board members. The slate of officers includes Gary Caspers, President; Stan McEvoy, Vice-President Michelle Garrett, Secretary and Linda Buttron, Controller. Mr. Parrish then described staff recommendations for committee chairs and membership which includes Steven Garten, Chair Personnel Committee with Michelle Garrett and Stan McEvoy as committee members; Rob Roberts as Chair of Investment Committee with Stan McEvoy and Sandy Barton as committee members; Sandy Barton as Chair of Audit Committee with Gary Caspers and Linda Buttron as committee members and Gary Caspers as Chair of the Joint KWORCC/KCAMP Committee on Cooperation with Steven Garten and Linda Buttron as committee members. Ms. Barton moved to close nominations, elect the slate of officers and approve appointment of committee members as proposed. Ms. Buttron seconded the motion which CARRIED unanimously.

The gavel then passed to President Caspers.

President Caspers thanked Dr. Garten for his year of service as president. Dr. Garten stated he liked the plaque he received and that it has a position of prominence in his county commission office.

President Caspers 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 ratify the check already issued, approve the checks presented and ratify the electronic transfers of funds as presented. Dr. Garten 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 for filing with the Kansas Insurance Department (KID).

Mr. Parrish then addressed Agenda Item No. 5c, "Waiver of GAAP, Resolution No. 2016-05." He explained the purpose of the resolution is to comply with statutory accounting as opposed to generally accepted accounting principles. Ms. Buttron moved that the resolution be adopted. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Parrish then address Agenda Item No. 5d, "Private Mileage Rate Change - KDOA Circular No 16-A-013." Mr. Parrish stated that years ago KWORCC adopted the state's reimbursement rates for mileage and meals. The current change from .57 to .54 likely reflects the decrease in gasoline prices that has occurred.

Mr. Parrish addressed Agenda Item No. 5e, "PRIMA Conferences." He asked Mr. Eyman to discuss MoKan Prima. Mr. Eyman stated it will be held at Tan-Tar-A in Lake Ozark, Missouri April 13-15, 2016. There will be classes and social gatherings. He stated that he usually attends and is planning to attend again. All trustees are welcome to attend. Mr. Parrish then discussed the annual National PRIMA conference which will be in Atlanta, Georgia beginning June 5, 2016 and ending on June 8, 2016. He stated the staff will make hotel reservations and book flights for those interested in attending.

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

President Caspers then proceeded to Agenda Item No. 7, "Financial Report." Mr. Alexander discussed in detail the preliminary, pre-audited financial statements he prepared for December 2015. He stated the reports are very preliminary and do not include the most recent actuarial review and the results of the 2015 payroll audits. Ms. Garrett 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 2015 he prepared for filing with KID. Dr. Garten moved to approve filing the report as proposed. Ms. Buttron seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Whereupon, Mr. McEvoy moved to approve check Nos. 16862 through 16922 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 January 12, 2016.

President Caspers addressed Agenda Item No. 8, "Claims Report - CRS." As to Agenda Item No. 8a, "Select Claims Review," Ms. Cox reported on claims and answered questions.

Ms. Cox then discussed Agenda Item No. 8b, "CompTech Bill Review Report." Ms. Cox reported CompTech has achieved net savings of 50% of medical billed for May through December, 2015.

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 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 show the performance status as of the end of December 2015 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers 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. Finally, Mr. Mann explained the division of the counties into territories covered by the loss prevention staff.

President Caspers addressed Agenda Item No.10, "Legal Report." Mr. Parrish stated there was no legal report at this time.

President Caspers proceeded to Agenda Item No. 11, "Committee Reports." Mr. Parrish stated there would be a Personnel Committee Meeting at 12:15 p.m. on February 18, 2016.

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

There being no additional business, Ms. Garrett moved to adjourn the meeting at 3:19 p.m. Dr. Garten seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 18th day of February, 2016.



Michelle Garrett, Secretary
KWORCC Board of Trustees

I, Michelle Garrett, 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 21st day of January, 2016 at which a quorum was present:

RESOLUTION # 2016-05


WHEREAS KWORCC has determined that the financial statements and financial reports to be prepared for the year ending December 31, 2015, if prepared in conformity with the requirements of K.S.A. 75-1120a(a) will not be relevant to the requirements of the cash basis and budget basis laws of this state and are of no significant value to the Board of Trustees, members of the general public, or members of KWORCC;

WHEREAS there are no revenue bond ordinances or other ordinances or resolutions of the KWORCC that would require financial statements and financial reports to be prepared in conformity with K.S.A. 75-1120a(a) for the year ending December 31, 2015;

NOW, THEREFORE BE IT RESOLVED, by the Board of Trustees of KWORCC, in its regular meeting duly assembled this 21st day of January, 2016, that the Board of Trustees waives the requirements of K.S.A. 75-1120a(a) as they apply to KWORCC for the year ending December 31, 2015.

BE IT FURTHER RESOLVED that the Board of Trustees shall cause the financial statements and financial reports of KWORCC to be prepared on the statutory basis of accounting as promulgated by rules and regulations of the Kansas Insurance Commissioner.

IN WITNESS WHEREOF, the undersigned has caused this Resolution to be executed this 21st day of January, 2016.



Michelle Garrett, Secretary

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
February 18, 2016 at 1:00 pm
Clubhouse Inn
924 SW Henderson Road
Topeka, KS 66615

The February 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:01 p.m. on February 18, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Steve Garten, Barber County Commissioner and Bonnie "Rob" 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. Bruce Woner, General Counsel; Ms. Beth Byrne, Accountant; 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 and Mr. Jess Cornejo. Also present was Mr. Sam Cargnel of Centric Actuarial Solutions, LLC.

President Caspers first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended two additions to the agenda including Agenda Item No. 5a, "Clark County Joins KWORCC" and Agenda Item No. 6b, "Financial Statements - January 2016." Further, Mr. Parrish recommended two agenda changes including correction of the year to 2016 under Agenda Item No. 4c a change to Agenda Item No. 8 indicating Mr. Eyman will make the presentation instead of Brandon Mann. Ms. Garrett moved to approve the agenda with those changes. Dr. Garten seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of January 21, 2016." Ms. Garrett moved to approve the minutes with one typographical correction. Mr. McEvoy seconded the motion which CARRIED unanimously.

Next, President Caspers asked Mr. Parrish to address Agenda Item No. 4, "Administrator's Report." Under "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. Dr. Garten moved to approve the checks and ratify the electronic transfers of funds as presented. Ms. Buttron 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 for 2001 to 2014, the ultimate loss estimates increased by \$150,000. Policy year 2015 was originally projected to have a total claims cost of \$4.4 million. This amount was decreased to \$3.9 million as a result of the August actuarial review and is now adjusted downward again to \$3.6 million. He explained the reductions were made because the number of claims and the cost of claims are less than estimated. Further, Mr. Cargnel reported the average cost per claim over the last eight years has not fluctuated and continues to be at in the range of \$7,500. Using that data, he placed the estimate of the 2016 ultimate loss for claims at \$4 million. President Caspers thanked Mr. Cargnel for his excellent services and informative presentation.

Mr. Parrish then asked Ms. Bird to address Agenda Item No. 4c, "Report on 2016 Member Premium Receipts." Ms. Bird reported that \$5,109,306 in premiums have been received, leaving \$321,747 receivable. She said all members with outstanding premiums have reported the billing is in line for payment.

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

Under Agenda Item No. 5a, Mr. Eyman reported that Clark County has elected to join the pool effective March 1, 2016.

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander presented the "Financial summary (Pre-Audit)." 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 2016. Ms. Barton moved to receive and file the financial report. Dr. Garten seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Ms. Buttron moved to approve check Nos. 16923 through 16965 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 9, 2016.

President Caspers 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 then requested approval of a pending settlement. Dr. Garten moved to approve the proposed course of action for claim number 2014048288. Mr. McEvoy seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." Ms. Cox reported CompTech has achieved net savings of 54% of medical billed for January, 2016.

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 2012 through January 2016. 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 January 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Eyman to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Eyman 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 courses. Mr. Eyman then discussed loss data showing the cost and frequency of various types of injuries. Slips, trips and falls dominates both in cost of injury and frequency of injury.


President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish reported on pending legislation before the Kansas legislature which is currently in session in Topeka.

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Dr. Garten stated that the Personnel Committee met prior to the Board Meeting and recommends paying a performance enhancement of \$18,000 to the KWORCC staff. Mr. McEvoy moved to approve the committee's recommendation. Ms. Garrett seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 11, "Other Business." There was no other business.

There being no further business, Ms. Garrett moved to adjourn the meeting at 2:17 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 17th day of March, 2016.


Michelle Garrett, Secretary
KWORCC Board of Trustees

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
March 17, 2016 at 1:00 pm via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The March 2016 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 17, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Steve Garten, Barber County Commissioner and Bonnie "Rob" Roberts, Miami County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Richard Alexander, Accountant; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Ms. Beth Byrne, Accountant; and Mr. Ben Woner, Loss Prevention Specialist.

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

President Caspers first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended a change indicating Ms. Bird would address Agenda Item No. 4b. Ms. Buttron moved to approve the agenda with that change. Ms. Garrett seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of February 18, 2016." Ms. Garrett moved to approve the minutes with typographical corrections. Mr. McEvoy seconded the motion which CARRIED unanimously.

Next, President Caspers asked Mr. Parrish to address Agenda Item No. 4, "Administrator's Report." Under "Checks Requiring Board Approval," Mr. Parrish itemized the checks for approval. Mr. McEvoy moved to approve the checks as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Parrish requested that Ms. Bird address Agenda Item No. 4b, "Report on 2015 Payroll Audits." Ms. Bird described the data included in the materials and reported that following the payroll audit for the 2015 KWORCC membership, the Members owed a net amount of \$307,461. She stated that in 2015 the number of covered employees increased two percent and total payroll increased three percent compared to 2014.

President Caspers then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Parrish discussed marketing activities and responded to questions. He also announced that McPherson County has joined the KWORCC pool effective March 1.

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander presented the "December 2015 Snapshot." This is an updated version of the end of the year report reflecting the completed payroll audits.

Mr. Alexander then discussed in detail the financial statements he prepared for February 2016. Mr. Alexander requested Board action to transfer \$100,000 from 2013 and \$650,000 from 2015 to Investment Income. These amounts had been transferred from investment income when the 2013 and 2015 budgets were adopted. Mr.

Roberts moved to transfer the funds as requested. Ms. Barton seconded the motion which CARRIED unanimously. Ms. Buttron moved to receive and file the financial reports. Mr. McEvoy seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Ms. Buttron moved to approve check Nos. 16966 through 17036 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 March 9, 2016.

President Caspers 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.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." Ms. Cox reported the amount billed totals \$731,450 for the period beginning January 1, 2016 through February 29, 2016. She said the actual paid amount for that period totals \$356,238, resulting in a net savings of \$375,212 after fees are paid. This is more than 54% of the amount billed for this two-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 2012 through February 2016. 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 February 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Parrish to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Parrish 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 courses.


President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish reported on pending legislation before the Kansas legislature which is currently in session in Topeka.

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Mr. Parrish reminded the Board that the Audit Committee will meet prior to the April board meeting.

President Caspers then addressed Agenda Item No. 11, "Other Business." There was no other business.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 1:44 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 28th day of April, 2016.


Michelle Garrett, Secretary
KWORCC Board of Trustees

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
April 28, 2016 at 1:00 pm
Clubhouse Inn
924 SW Henderson Road
Topeka, KS 66615

The April 2016 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 28, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Dr. Steve Garten, Barber County Commissioner and Bonnie "Rob" 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; Ms. Beth Byrne, Accountant; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ralph D. Unger Member Services Representative; and Mr. Ben Woner, Loss Prevention Specialist.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox and Mr. Jess Cornejo. Also present were Ms. Amy Dukes and Mr. Eric Otting of Wendling, Noe, Nelson and Johnson, LLC.

President Caspers first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended that Agenda Item "May and June meetings by Teleconference" be numbered 11a and Agenda Item No. 11b, "Move July Meeting" be added. Ms. Garrett moved to approve the agenda with that addition. Dr. Garten seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of March 17, 2016." Mr. McEvoy moved to approve the minutes as presented. Mr. Roberts seconded the motion which CARRIED unanimously.

Next, President Caspers asked Mr. Parrish to address Agenda Item No. 4, "Administrator's Report." Under "Checks Requiring Board Approval," Mr. Parrish itemized the checks for approval. Dr. Garten moved to approve the checks as presented. Ms. Buttron seconded the motion which CARRIED unanimously.

Mr. Parrish requested that Mr. Otting 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. In response to questions, Mr. Otting explained Note G of the Audit Report which recognizes the liability KWORCC has towards KPERS and discussed the strength of KWORCC's fund balance. President Caspers thanked Mr. Otting for his presentation.

Ms. Bird then addressed Agenda Item No. 4c, "PRIMA National Update." Ms. Bird reported that a map of the area showing the hotel as well as a general schedule of the PRIMA events are included in the board packet. She outlined some of the attractions that are in the vicinity, the location of various events and discussed travel arrangements for those attending. Ms. Bird stated final reservations and travel documents will be furnished with the May board packet mailing.

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander presented the amended post-audit Kansas Insurance Department (KID) Fourth Quarter Report for 2015. He then discussed in detail the financial statements he prepared for March 2016 and the 2016 First Quarter Report to KID. Ms. Barton moved to receive and file the financial reports. Dr. Garten seconded the motion which CARRIED unanimously.

Mr. Alexander presented the check register and answered questions. Mr. McEvoy moved to approve check Nos. 17037 through 17094 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 April 20, 2016.

President Caspers 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, "CompTech Bill Review Report." Ms. Cox reported the amount billed totals \$1,008,405 for the period beginning January 1, 2016 through March 31, 2016. She said the actual paid amount for that period totals \$479,2016, resulting in a net savings of \$529,189 after fees are paid. This is more than 53% of the amount billed for this three-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 2012 through March 2016. 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 March 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers 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. He stated that the loss prevention staff made 135 county visits in the first quarter of 2016. Mr. Mann then discussed a new program called Workplace Aware that the loss prevention staff will be testing in a few counties. Next, he discussed the visits KDOL has been making to the counties and the policies required to be in place. Finally, he reported on the enrollment rates and courses completed by the membership for the GovU online courses.

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

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Ms. Barton stated that the audit committee met with Mr. Otting prior to the board meeting and discussed the details and findings of the Independent Audit. Ms. Barton then moved to adopt KWORCC Resolution 2016-33 concerning the independent audit on the KWORCC books and records for the year ending 2015. Dr. Garten seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 11, "Other Business." Under Agenda Item No. 11a, Ms. Bird stated that the May and June board meetings will be held by teleconference. She then addressed Agenda Item No. 11b, asking to have the date of the July board meeting changed to July 14th. Ms. Garrett moved to change the date of the July meeting to July 14th at 1:00 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

There being nothing further, Ms. Garrett moved to adjourn the meeting at 2:04 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 19th day of May, 2016.

Michelle Garrett, Secretary
KWORCC Board of Trustees

I, Michelle Garrett, 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 28th day of April, 2016 at which a quorum was present:

RESOLUTION #2016-33

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, 2015 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 28th day of April, 2016; 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 KWORCC, that the independent audit prepared by the firm of Wendling, Noe, Nelson and Johnson LLC for the fiscal year ending December 31, 2015 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 28th day of April, 2016.


Michelle Garrett, Secretary

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
May 19, 2016 at 1:00 pm via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The May 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference 1:05 p.m. on May 19, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Dr. Steve Garten, Barber County Commissioner and Bonnie "Rob" 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; Ms. Beth Byrne, Accountant; 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, Mr. Paul Davis and Mr. Jess Cornejo.

President Caspers first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the removal of "Investment Committee" from the agenda and a couple of minor spelling and word choice corrections. Ms. Garrett moved to approve the agenda with those modifications. Ms. Barton seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of April 28, 2016." Ms. Garrett moved to approve the minutes as presented. Dr. Garten seconded the motion which CARRIED unanimously.

Next, President Caspers asked Mr. Parrish to address Agenda Item No. 4, "Administrator's Report." Under "Checks Requiring Board Approval and Ratification of Electronic Transfers 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 requested that Ms. Bird address Agenda Item No. 4b, "PRIMA National, Atlanta, Georgia June 5-8, 2016." Ms. Bird stated she had forwarded hotel, flight and PRIMA registrations to all those attending. She will forward any flight changes as well as the information on the sessions and the PRIMA App when they become available.

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for April 2016. Mr. Roberts moved to receive and file the financial reports. Ms. Buttron seconded the motion which CARRIED unanimously.

Ms. Byrne presented the check register and answered questions. Ms. Garrett moved to approve check Nos. 17095 through 17131 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 11, 2016.

President Caspers 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. She then requested approval of a pending settlement. Dr. Garten moved to approve the proposed course of action for claim number 2013046679. Ms. Buttron seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." Ms. Cox reported the amount billed totals \$1,273,851 for the period beginning January 1, 2016 through April 30, 2016. She said the actual paid amount for that period totals \$564,842, resulting in a net savings of \$709,009 after fees are paid. This is more than 57% of the amount billed for this four-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 2012 through April 2016. 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 April 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Messrs. Eyman and Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Eyman reviewed April, May and June calendars for the loss-prevention staff. Mr. Eyman then reported on the enrollment rates and courses completed by the membership for the GovU online courses. Mr. Mann discussed Workplace Aware and stated that Jefferson County will be set up next week as a pilot to evaluate this program. He then discussed the claims training course at the KCCEOA and stated that several counties have requested regional claims training classes.

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

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Mr. Parrish stated that the June meeting will be a teleconference meeting. The July meeting will be held at the Jayhawk Tower Senate Room, with an investment committee meeting at 12:15. The September meeting will be held at the Ramada Downtown in the Madison Ballroom with a personnel committee meeting at 12:15.

President Caspers then addressed Agenda Item No. 11, "Other Items." Mr. Parrish stated that this is Mr. Alexander's last meeting as his retirement date is May 31, 2016. Mr. Alexander stated that working with KWORCC for the last 21 years has been a good experience and that he has enjoyed getting to know everyone.

There being no further business, 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 23rd day of June, 2016.


Michelle Garrett, Secretary
KWORCC Board of Trustees

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
June 23, 2016 at 1:00 pm via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The June 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order via teleconference at 1:06 p.m. on June 23, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Dr. Steve Garten, Barber County Commissioner and Bonnie "Rob" 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; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Ms. Beth Byrne, Accountant; 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. Wanda Roehl and Mr. Jess Cornejo.

President Caspers 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 Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of May 19, 2016." Ms. Buttron moved to approve the minutes as presented. Ms. Garrett seconded the motion which CARRIED unanimously.

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

Mr. Parrish then turned attention to Agenda Item No. 4b, "Master Repurchase Agreement from Country Club Bank." Mr. Parrish stated renewal of the agreement was requested by the bank's auditor. This is necessary to ensure that funds in excess of that covered by FDIC are secured by no less than 102% of the value. Ms. Barton moved to approve the repurchase agreement. Ms. Garrett seconded the motion which CARRIED unanimously.

Finally, under Agenda Item No 4c, Mr. Parrish lead a discussion about the events at National PRIMA in Atlanta, Georgia. Various courses attended were discussed along with observations about the event.

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Ms. Byrne discussed in detail the financial statements she prepared for May 2016. Dr. Garten moved to receive and file the financial reports. Ms. Barton seconded the motion which CARRIED unanimously.

Ms. Byrne presented the check register and answered questions. Mr. McEvoy moved to approve check Nos. 17132 through 17173 and the direct debits. Ms. Garrett seconded the motion which CARRIED unanimously.

Next, Ms. Byrne reviewed reports showing the value of KWORCC's equity investments as of June 14, 2016.

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

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." Ms. Cox reported the amount billed totals \$1,628,493 for the period beginning January 1, 2016 through May 31, 2016. She said the actual paid amount for that period totals \$732,728, resulting in a net savings of \$895,765 after fees are paid. This is more than 56% of the amount billed for this five-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 2012 through May 2016. 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 May 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed May, June and July calendars for the loss-prevention staff. He stated that the loss prevention staff have made 218 county contacts so far this year. He then reported on the enrollment rates and courses completed by the membership for the GovU online courses.

President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish provided an update on the assessment challenge litigation. Settlement attempts have come to a stand-still. While reimbursement of the funds and payment of attorney fees are agreeable, the plaintiffs' principal term for settlement is not. Specifically, the plaintiffs require that the state agree that the designated fee fund sweeps are unlawful and will not occur going forward. Accordingly, the litigation is proceeding with the discovery process. The district court judge will not stay proceedings further.

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Mr. Parrish reminded the board there will be an Investment Committee meeting at 12:15 p.m. prior to the board meeting on July 14th. The July meeting will be held at the Jayhawk Tower in the Senate Room. Directions and maps will be included in the July meeting mailing.

President Caspers then addressed Agenda Item No. 11, "Other Items." There were no other items to bring before the board.

There being no further business, Ms. Garrett moved to adjourn the meeting at 2:02 p.m. Dr. Garten seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 14th day of July, 2016.



Michelle Garrett, Secretary
KWORCC Board of Trustees

I, Michelle Garrett, 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 14th day of July, 2016 at which a quorum was present:

RESOLUTION #2016-49


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, 2015 through June 30, 2016, 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, 2015 through June 30, 2016, 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 14th day of July, 2016.


Michelle Garrett, 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			2	n
Salesperson				n
Enter Date				n
Trade Date	12/01/2015	06/30/2016	1	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

Ticket Nbr	Cust S/N	Reg Type/Id	Apr By	Dt Enter	Factor	Face	Print
Cusip	Sec Descrip	Call Cd-Dt	Apr Date	Trade Dt	Tran Cd	Par	Interest
Security	Sec Descrip	Call Price	Apr Time	Settle Dt	Ent By	Basis	Fees
Port ID	Moody/StdPoor/MktRtg	Mat Date	Fail Del	Trd Status	Trd For	Price	Withholding
Deal ID	Broker	CPN Rate	Fail Pmt	Conv	Yield		Penalty
		CLOC/PLoc	Pay/Del	Buyback			Total Amt
311155210	KWORCC (302)	E/*		01/11/2016	1.0000000000	500,000.00	500,000.00
300121	FEDERAL FARM CREDIT BANK	C-03/29/16		01/11/2016	Sale	500,000.00	556.11
3133EFUG0	CALLED 3/30/16	100.000		01/12/2016	skml44	100.00	.00
3133EFUG0		12/29/2025	n-01/12/16	09	BCT	100.0000000000	.00
032-AGCY 0	Aaa/AA+/	3.08	n-01/12/16	na	3.0770000	.00	.00
		ccf/ccf	c/ski	n		500,556.11	
311155708	KWORCC (302)	E/*		01/22/2016	1.0000000000	1,500,000.00	1,499,870.00
300121	U.S. Treasury Bills			01/22/2016	Sale	1,500,000.00	.00
912796FV6		.000		01/22/2016	skml44	D.2400	.00
912796FV6		02/04/2016	n-01/22/16	09	BCT	99.991333300	.00
027-TBLL 0	//	ccf/ccf	c/ski	na	.2400000	.00	.00
				n		1,499,870.00	
311155126	KWORCC (302)	E/*		01/08/2016	1.0000000000	400,000.00	400,000.00
300121	FEDERAL HOME LOAN BANK	C-07/29/16		01/08/2016	Sale	400,000.00	.00
3130A6ZN0	QTRLY CALL BEG 7/29/16	100.000		01/29/2016	skml44	100.00	.00
3130A6ZN0		07/29/2021	n-01/29/16	09	BCT	100.0000000000	.00
032-agcy 0	Aaa/AA+/	2.00	n-01/29/16	na	2.0000000	.00	.00
		ccf/ccf	c/ski	n		400,000.00	
311156272	KWORCC (302)	E/*		02/04/2016	1.0000000000	2,500,000.00	2,499,531.39
300121	U.S. Treasury Bills			02/04/2016	Sale	2,500,000.00	.00
912796FZ7		.000		02/04/2016	skml44	D.241	.00
912796FZ7		03/03/2016	n-02/04/16	09	BCT	99.981255600	.00
027-tbll 0	//	ccf/ccf	c/ski	na	.2410000	.00	.00
				n		2,499,531.39	
311156678	KWORCC (302)	E/*		02/10/2016	1.0000000000	1,000,000.00	1,000,000.00
300121	FEDERAL FARM CREDIT BANK	C-05/16/16		02/10/2016	Sale	1,000,000.00	1,416.67
3133EFB30	CALLED 5/16/2016	100.000		03/03/2016	skml44	100.00	.00
3133EFB30		11/16/2026	n-03/03/16	09	BCT	100.0000000000	.00
032-AGCY 0	Aaa/AA+/	3.0	n-03/03/16	na	2.9960000	.00	.00
		ccf/ccf	c/ski	n		2,000.00	
				n		1,001,416.67	
311157086	KWORCC (302)	E/*		02/17/2016	1.0000000000	700,000.00	700,000.00
300121	FANNIE MAE	C-04/25/16		02/17/2016	Sale	700,000.00	5,475.56
3135G0RC9	QTRLY CALL BEG 4/25/13	100.000		03/03/2016	skml44	100.00	.00
3135G0RC9		10/25/2022	n-03/03/16	09	BCT	100.0000000000	.00
032-Agcy 0	Aaa/AA+/	2.200	n-03/03/16	na	2.1830000	.00	.00
		ccf/ccf	c/ski	n		1,225.00	
				n		705,475.56	

Ticket Nbr	Cust S/N	Sec Descr	Sec Descr	Sec Descr	Moody/StdFoor/MktRtg	Bnk Elig	Comm Basis	Reg Type/Id	Apr By	Dt Enter	Factor	Face	Prin
Cust Nbr	Sec Descr	Sec Descr	Sec Descr	Sec Descr	Moody/StdFoor/MktRtg	Bnk Elig	Comm Basis	Call Cd-Dt	Apr Date	Trade Dt	Tran Cd	Par	Interest
Cust Nbr	Sec Descr	Sec Descr	Sec Descr	Sec Descr	Moody/StdFoor/MktRtg	Bnk Elig	Comm Basis	Call Price	Apr Time	Settle Dt	Ent By	Basis	Fees
Security	Sec Descr	Sec Descr	Sec Descr	Sec Descr	Moody/StdFoor/MktRtg	Bnk Elig	Comm Basis	Mat Date	Fail Del	Trd Status	Trd For	Price	Withholding
Port ID	Moody/StdFoor/MktRtg	Bnk Elig	Comm Basis	CPN Rate	Fail Pmt	Conv	Yield	CPN Rate	Fail Pmt	Conv	Yield	Dir Comm	Penalty
Deal ID	Broker	Comm Basis	CLoc/PLoc	CLoc/PLoc	Pay/Del	Buyback	P/L	CLoc/PLoc	Pay/Del	Buyback	P/L	Total Amt	
311157770	KWORCC (302)	FEDERAL FARM CREDIT BANK	CONTN CALL BEG 3/09/17	100.000	03/09/2026	n-03/09/16	c/ski	E/*	03/03/2016	1.0000000000	500,000.00	500,000.00	
3133EFK71	FEDERAL FARM CREDIT BANK	CONTN CALL BEG 3/09/17	100.000	03/09/2026	n-03/09/16	na	n	c-03/09/17	03/03/2016	Sale	500,000.00	500,000.00	
3133EFK71	AAA/AA+/			2.79	n-03/09/16	na	n	100.000	03/09/2016	skm144	100.	100.0000000000	
032-AGCY	0			ccf/ccf	c/ski			2.79	na	2.79000000	750.00	500,000.00	
311158223	KWORCC (302)	U.S. Treasury Notes		.000	01/31/2017	n-03/14/16	c/ski	E/*	03/11/2016	1.0000000000	1,000,000.00	1,000,000.00	
300121	FEDERAL FARM CREDIT BANK	CONTN CALL BEG 3/28/17	100.000	03/28/2031	n-03/28/16	na	n	c-03/09/17	03/11/2016	Sale	1,000,000.00	1,000,000.00	
912828H78	U.S. Treasury Notes			VAR	03/28/2031	na	n	100.000	03/14/2016	skm144	100.00	100.0000000000	
912828H78	AAA/AA+/			ccf/ccf	c/ski			.500	na	BCT	.50000000	1,601.56	1,000,590.66
028-TNTS	0			ccf/ccf	c/ski			01/31/2017	na			1,000.0000000000	
311158162	KWORCC (302)	FNMA 2.5 STEP UP 3.5 3/28/22		.000	03/28/2031	n-03/28/16	c/ski	E/*	03/10/2016	1.0000000000	500,000.00	500,000.00	
300121	FEDERAL HOME LOAN BANK	CONTN CALL BEG 9/30/16	100.000	03/30/2028	n-03/30/16	na	n	c-03/28/17	03/10/2016	Sale	500,000.00	500,000.00	
3136G3FG5	QTRLY CALL BEG 3/28/17			VAR	03/28/2031	na	n	100.000	03/28/2016	BCT	100.00	100.0000000000	
3136G3FG5	MULTI STEP			ccf/ccf	c/ski			03/28/2031	na			100.0000000000	
032-AGCY	0			ccf/ccf	c/ski			VAR	na	2.50000000	2,500.00	500,000.00	
311158326	KWORCC (302)	FHLB 2.0 STEP UP 2.25 3/30/19		.000	03/30/2016	n-03/30/16	c/ski	E/*	03/15/2016	1.0000000000	1,000,000.00	1,000,000.00	
300121	FEDERAL HOME LOAN BANK	CONTN CALL BEG 10/14/16	100.000	04/14/2031	n-04/14/16	na	n	t-03/30/17	03/15/2016	Sale	1,000,000.00	1,000,000.00	
3130A7JY2	QTRLY CALL BEG 9/30/16			VAR	03/30/2028	na	n	100.000	03/30/2016	BCT	100.00	100.0000000000	
3130A7JY2	MULTI STEP			ccf/ccf	c/ski			03/30/2028	na			100.0000000000	
011-APP	0			ccf/ccf	c/ski			VAR	na	2.00000000	2,000.00	500,000.00	
311158824	KWORCC (302)	FEDERAL HOME LOAN BANK	CONTN CALL BEG 10/14/16	3.05	04/14/2031	n-04/14/16	c/ski	E/*	03/30/2016	1.0000000000	500,000.00	500,000.00	
300121	FEDERAL HOME LOAN BANK	CONTN CALL BEG 10/14/16	100.000	10/27/2023	n-04/27/16	na	n	c-10/14/16	03/30/2016	Sale	500,000.00	500,000.00	
3130A7PDI	AAA/AA+/			2.00	10/27/2023	n-04/27/16	c/ski	100.000	04/14/2016	skm144	100.00	100.0000000000	
3130A7PDI	AAA/AA+/			ccf/ccf	c/ski			3.05	na	3.05000000	1,000.00	1,000,000.00	
032-AGCY	0			ccf/ccf	c/ski			VAR	na			1,000.0000000000	
311159888	KWORCC (302)	FEDERAL HOME LOAN BANK	CONTN CALL BEG 10/27/16	100.000	10/27/2023	n-04/27/16	c/ski	E/*	04/26/2016	1.0000000000	250,000.00	250,000.00	
300121	FEDERAL HOME LOAN BANK	CONTN CALL BEG 10/27/16	100.000	10/27/2023	n-04/27/16	na	n	c-10/27/16	04/26/2016	Sale	250,000.00	250,000.00	
3130A7UQ6	QTRLY CALL BEG 10/27/16			2.00	10/27/2023	n-04/27/16	c/ski	100.000	04/27/2016	skm144	100.00	100.0000000000	
3130A7UQ6	AAA/AA+/			ccf/ccf	c/ski			2.00	na	2.00000000	1,250.00	250,000.00	
032-AGCY	0			ccf/ccf	c/ski			VAR	na			1,000.0000000000	

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	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/MkRrtg	CPN Rate	Fail Pmt	Conv	Yield	Penalty	Total Amt
Deal ID	Broker	CLoc/PLoc	Pay/Del	Buyback			
311160793	KWORCC (302)	E/*		05/20/2016	1.0000000000	1,000,000.00	1,000,000.00
300121	FEDERAL FARM CREDIT BANK	C-05/16/17		05/20/2016	Sale	1,000,000.00	388.89
3133EGAD7	CONT CALL BEG 05/16/2017	100.000		05/23/2016	skm144	100.00	.00
3133EGAD7		05/16/2023	n-05/23/16	09	BCT	100.0000000000	.00
032-AGCY	Aaa/AA+/	2.00	n-05/23/16	na	2.00000000	.00	.00
	Broker	ccf/ccf	c/ski	n		2,000.00	1,000,388.89
311161507	KWORCC (302)	E/*		06/09/2016	1.0000000000	200,000.00	199,968.75
300121	U.S. Treasury Notes			06/09/2016	Purch	200,000.00	357.14
912828H78		.000		06/09/2016	skm144	200,000.00	.00
912828H78		01/31/2017	n-06/09/16	09	BCT	99.984375	.00
028-TNTS	//	.500	n-06/09/16	na	.5240000	99.984375000	.00
	Broker	ccf/ccf	c/sko	n		.00	200,325.89
311161654	KWORCC (302)	E/*		06/13/2016	1.0000000000	240,000.00	240,000.00
300121	HSBC BANK USA NA C.D.	C-06/23/20		06/13/2016	Sale	240,000.00	.00
40434AY86	SEMI ANNUAL CALL BEG 6/23/20	100.000		06/23/2016	skm144	240,000.00	.00
40434AY86		06/23/2028	n-06/23/16	09	BCT	100.00	.00
083-CDRP	//	2.500	n-06/23/16	na	2.5000000	100.0000000000	.00
	Broker	ccd/ccd	c/ski	n		2,640.00	240,000.00
311162210	KWORCC (302)	E/*		06/23/2016	1.0000000000	1,000,000.00	1,000,000.00
300121	FEDERAL FARM CREDIT BANK	C-09/20/16		06/23/2016	Sale	1,000,000.00	236.11
3133EGGK5	CONTN CALL BEG 9/20/16	100.000		06/24/2016	skm144	100.00	.00
3133EGGK5		03/20/2024	n-06/24/16	09	BCT	100.0000000000	.00
032-agcy	Aaa/AA+/	2.125	n-06/24/16	na	2.1240000	.00	.00
	Broker	ccf/ccf	c/ski	n		4,000.00	1,000,236.11
311161956	KWORCC (302)	E/*		06/20/2016	1.0000000000	1,000,000.00	1,000,000.00
300121	FEDERAL HOME LOAN BANK	C-09/27/16		06/20/2016	Sale	1,000,000.00	.00
3130A8HU0	CONTN CALL BEG 9/27/16	100.000		06/27/2016	skm144	100.00	.00
3130A8HU0		06/27/2024	n-06/27/16	02	BCT	100.0000000000	.00
011-APP	Aaa/AA+/	2.200	n-06/27/16	na	2.2000000	.00	.00
	Broker	ccf/ccf	c/ski	n		2,500.00	1,000,000.00

Report Totals

Par: 13,790,000.00
Comm: .00

Fees: .00

Prin: 13,789,370.14
Int: 9,021.14
Total: 13,798,391.28

KWORCC LOSS PREVENTION POLICY STATEMENT

The Board of Trustees of the Kansas Workers Risk Cooperative for Counties considers the health, safety and well-being of employees of member counties to be of paramount importance. Therefore, the Board actively promotes and supports the implementation of a loss prevention program aimed at reducing work related injuries and illnesses to an absolute minimum.

The loss prevention program adopted by the Board of Trustees will be administered by the KWORCC Administrator, but will require the involvement of all levels of county employees. Every elected official or appointed person, director, commissioner, manager, supervisor, administrator and employee is strongly encouraged to make loss prevention and safety a matter of continuing concern.

The KWORCC Board does hereby go on record as pledging their support and commitment to the implementation and administration of this policy.

Signed and dated this 14th day of July, 2016



Gary Caspers, President, Board of Trustees



Stan McEvoy, Vice President, Board of Trustees



Michelle Garrett, Secretary, Board of Trustees



Linda Buttron, Controller, Board of Trustees



Sandy Barton, Member, Board of Trustees



Steven Garten, Member, Board of Trustees



Rob Roberts, Member, Board of Trustees



James W. Parrish, Administrator

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
July 14, 2016
Jayhawk Tower Senate Room
700 SW Jackson
Topeka, KS 66603

The July 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:11 p.m. on July 14, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Dr. Steve Garten, Barber County Commissioner and Bonnie "Rob" 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; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Ms. Beth Byrne, Accountant; and Mr. Brandon Mann, Loss Prevention Specialist.

CORnerstone Risk Solutions (CRS) was represented by Ms. Tina Cox and Mr. Jess Cornejo. Also present was Mr. Chris Thompson of Country Club Bank.

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

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of June 25, 2016." Mr. McEvoy moved to approve the minutes as presented. Ms. Barton seconded the motion which CARRIED unanimously.

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

Mr. Parrish then asked Mr. Thompson to address Agenda Item No. 4b, "Bond Portfolio Presentation." Mr. Thompson reported that the KWORCC portfolio is composed of high grade government bonds which means it was not adversely affected by the Brexit vote. He explained the goal is long term dependable income with liquidity to meet claims payments and expenses as needed. The materials for the Investment Committee meeting are attached to these minutes.

Finally, under Agenda Item No 4c, Mr. Parrish reviewed the Loss Prevention Policy Statement. Dr. Garten moved to adopt the policy statement. Mr. McEvoy seconded the motion which CARRIED unanimously.

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Ms. Byrne discussed in detail the financial statements she prepared for June 2016. Ms. Barton moved to receive and file the financial reports. Mr. Roberts seconded the motion which CARRIED unanimously.

Ms. Byrne presented the Kansas Insurance Department Quarterly Filing, as of June 30, 2016. Ms. Buttron moved to approve the report for filing, as presented. Dr. Garten seconded the motion which CARRIED unanimously.

Ms. Byrne presented the check register and answered questions. Ms. Barton moved to approve check Nos. 17174 through 17197 and the direct debits. Ms. Buttron seconded the motion which CARRIED unanimously.

Next, Ms. Byrne reviewed reports showing the value of KWORCC's equity investments as of July 6, 2016 and updated figure as of July 14, 2016.

President Caspers addressed Agenda Item No. 7, "Claims Report - CRS." As to Agenda Item No. 7a, "Select Claims Review," Ms. Cox reported on a claim, answered questions and requested approval of a pending settlement. Mr. McEvoy moved to approve the proposed course of action for claim number 2011041109. Mr. Roberts seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." Ms. Cox reported the amount billed totals \$2,091,874 for the period beginning January 1, 2016 through June 30, 2016. She said the actual paid amount for that period totals \$853,962, resulting in a net savings of \$1,237,912 after fees are paid. This is more than 58% of the amount billed for this six-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 2012 through June 2016. 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 June 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed June, July and August calendars for the loss-prevention staff. He stated that the loss prevention staff made 249 county contacts so far this year. He then reported on the enrollment rates and courses completed by the membership for the GovU online courses.

President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated there were no legal updates at this time.


President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Under Item 10a, "Investment Committee," Mr. Roberts reported that the Investment Committee met prior to the Board meeting and recommended the Board adopt KWORCC Resolution #2016-49. Mr. McEvoy moved that the Board follow the committee's recommendation. Mr. Roberts seconded the motion which CARRIED unanimously. Mr. Roberts further reported that the committee is recommending lowering the equity investments from \$20,000 per month to \$10,000 per month for the next six months. Mr. McEvoy expressed concern that KWORCC was approaching the investments limitations (included in attached materials) and stated the belief that there should be a pause in equity investments. Mr. Roberts moved to follow the recommendations of the investment committee. Ms. Barton seconded the motion which CARRIED with Mr. McEvoy, Dr. Garten and Ms. Buttron dissenting.

Mr. Parrish then reminded the board there will be a Personnel Committee meeting at 12:15 p.m. prior to the board meeting on September 22. The September meeting will be held in the Madison Room at the downtown Ramada Hotel and Convention Center. Directions and maps will be included in the September meeting mailing.

President Caspers then addressed Agenda Item No. 11, "Other Items." There was a brief discussion regarding meeting locations going forward. The consensus was to continue meeting at the Clubhouse Inn when available.

There being no further business, Ms. Garrett moved to adjourn the meeting at 2:26 p.m. Dr. Garten seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 25th day of August, 2016.


Michelle Garrett, Secretary
KWORCC Board of Trustees

6/30/2016

Count	Issuer	Type	Par Value	Book Value	Mkt Value	Gain / (Loss)	% G / (L)	Rate	Book Yield	Maturity	Call Date	Call Freq.	Effective Maturity
1	FANNIE MAE	US Agency	700,000	700,000	700,280	280	0.040%	2.200	2.200	10/25/2022	7/25/2016	Continuous	7/25/2016
2	FEDERAL HOME LOAN BANK	US Agency	400,000	400,000	399,380	(620)	-0.155%	2.000	2.000	7/29/2021	7/29/2016	Continuous	7/29/2016
3	JP MORGAN CHASE BANK CD	FDIC CD	245,000	245,000	245,000	-	0.000%	2.000	2.000	11/13/2020	8/13/2016	Continuous	8/13/2016
4	FEDERAL HOME LOAN BANK	US Agency	250,000	250,000	249,415	(585)	-0.234%	2.000	2.000	10/27/2023	10/27/2016	Continuous	10/27/2016
5	U.S. Treasury Notes	US Treasury	250,000	250,000	250,400	400	0.160%	0.750	0.750	1/15/2017			1/15/2017
6	U.S. Treasury Notes	US Treasury	300,000	300,000	300,023	23	0.008%	0.500	0.500	1/31/2017			1/31/2017
7	U.S. Treasury Notes	US Treasury	1,000,000	1,000,000	1,000,078	78	0.008%	0.500	0.500	1/31/2017			1/31/2017
8	FEDERAL FARM CREDIT BANK	US Agency	500,000	500,000	500,125	125	0.025%	2.790	2.790	3/9/2026	3/9/2017	Continuous	3/9/2017
9	DISCOVER BANK C.D.	FDIC CD	125,000	125,000	125,000	-	0.000%	0.850	0.850	4/17/2017			4/17/2017
10	FEDERAL FARM CREDIT BANK	US Agency	1,000,000	1,000,000	1,001,370	1,370	0.137%	2.000	2.000	5/16/2023	5/16/2017	Continuous	5/16/2017
11	FEDERAL FARM CREDIT BANK	US Agency	650,000	674,463	688,526	14,062	2.085%	4.250	2.071	4/16/2018	4/16/2018	Continuous	4/16/2018
12	FANNIE MAE	US Agency	1,000,000	1,000,000	998,970	(1,030)	-0.103%	1.500	1.500	2/21/2020	8/21/2016	Continuous	2/21/2020
13	FEDERAL HOME LOAN BANK	US Agency	250,000	250,000	256,548	6,548	2.619%	2.000	2.000	3/5/2020	3/5/2020		3/5/2020
14	FEDERAL HOME LOAN BANK	US Agency	500,000	539,772	553,250	13,478	2.497%	4.125	1.830	3/13/2020	3/13/2020		3/13/2020
15	FANNIE MAE	US Agency	2,000,000	2,000,000	2,055,020	55,020	2.751%	2.000	2.000	3/27/2020	3/27/2020		3/27/2020
16	U.S. Treasury Notes	US Treasury	1,000,000	1,000,000	1,035,117	35,117	3.512%	2.000	2.000	7/31/2020	7/31/2020		7/31/2020
17	FANNIE MAE	US Agency	1,000,000	1,000,000	1,040,320	40,320	4.032%	2.350	2.350	10/16/2020	10/16/2020		10/16/2020
18	SYNCHRONY BANK C.D.	FDIC CD	250,000	250,000	250,000	-	0.000%	2.050	2.050	1/25/2021	1/25/2021		1/25/2021
19	FEDERAL HOME LOAN BANK	US Agency	1,000,000	1,000,000	1,043,950	43,950	4.395%	2.375	2.375	3/12/2021	3/12/2021		3/12/2021
20	FNMA 2.5 STEP UP 3.5 3/28/22	US Agency	500,000	500,000	493,380	(6,620)	-1.324%	2.500	2.500	3/28/2031	3/28/2022	Continuous	3/28/2022
21	FEDERAL HOME LOAN BANK	US Agency	1,000,000	1,000,000	1,019,080	19,080	1.908%	2.000	2.000	9/9/2022	9/9/2022		9/9/2022
22	GOLDMAN SACHS BANK USA C.D.	FDIC CD	240,000	240,000	240,000	-	0.000%	2.250	2.250	2/21/2023	2/21/2023		2/21/2023
23	FREDDIE MAC	US Agency	1,000,000	1,000,000	1,008,930	8,930	0.893%	2.000	2.000	5/26/2023	5/26/2023		5/26/2023
24	FEDERAL FARM CREDIT BANK	US Agency	1,500,000	1,506,016	1,522,020	16,004	1.063%	2.110	2.047	11/15/2023	11/15/2023		11/15/2023
25	FEDERAL FARM CREDIT BANK	US Agency	1,000,000	1,000,000	1,000,000	-	0.000%	2.125	2.125	3/20/2024	3/20/2024		3/20/2024
26	FEDERAL HOME LOAN BANK	US Agency	1,000,000	1,000,000	995,660	(4,340)	-0.434%	2.200	2.200	6/27/2024	6/27/2024		6/27/2024
27	FANNIE MAE	US Agency	420,000	420,000	427,463	7,463	1.777%	2.250	2.250	10/30/2024	10/30/2024		10/30/2024
28	FHLB 2.0 STEP UP 2.25 3/30/19	US Agency	1,000,000	1,000,000	993,130	(6,870)	-0.687%	2.000	2.000	3/30/2028	3/30/2028		3/30/2028
29	HSBC BANK USA NA C.D.	FDIC CD	240,000	240,000	240,000	-	0.000%	2.500	2.500	6/23/2028	6/23/2028		6/23/2028
30	FEDERAL HOME LOAN BANK	US Agency	500,000	500,000	495,370	(4,630)	-0.926%	3.050	3.050	4/14/2031	10/14/2016	Continuous	4/14/2031
			20,820,000	20,890,251	21,127,806	237,554	1.137%	2.117	1.990	7/14/2022			5/16/2021

Annual Income \$ 414,229

book price	100.337
mkt price	101.478

Legend	Annual Income	Yield
USTN United States Treasury Note	5.3%	
FFCB Federal Farm Credit Bank	12.2%	
FHLB Federal Home Loan Bank	22.3%	
FHLMC Federal Home Loan Mortgage Co (Freddie Mac)	28.3%	
FNMA Federal National Mortgage Co (Fannie Mae)	7.3%	
	24.6%	
	100.0%	

KWORCC Bond Portfolio Update: June 30, 2016

- Portfolio is invested in top grade US Government/Agency debentures (ie: plain, old-fashioned, bonds) and FDIC insured bank CDs
- As of June 30, 2016, the portfolio is comprised of 30 separate and direct holdings which trade in “steady and ready” liquid markets (ie: easily and quickly converted to cash)
- Jun 30 2016 Par Value: \$20,820,000 (+\$200,000 more than 1yr ago)
- Jun 30 2015 Market Value: \$21,127,806 (+ \$642,000 more than 1yr ago)
- Average “Effective” Maturity: approximately 6.04yrs (“effective maturity” is the most likely maturity, which accounts for likely call options being exercised, or not, prior to stated maturity). This represents a contraction of roughly 2½ months vs June 2015.
- Portfolio Average Coupon Rate: 2.11% / Yield: 1.99% (15bps higher than June 2015)
- Market themes impacting the portfolio
 - **“Brexit”**: On June 23rd, Britain voted to leave the European Union, which was an outcome that, 24hours prior to the vote, seemed highly improbable. Once the news broke, financial markets reacted swiftly with surprise, fear and panic. This was a decidedly good thing for holders of high credit quality, plain vanilla US Govt bonds...because that’s where frightened money flocked as uncertainty overwhelmed nervous markets. However, we are less interested in seeing the value of our portfolio rise (which it has) than gaining opportunities to boost portfolio nominal yield (income) with high grade govt bonds. Unfortunately, Brexit has greatly diminished those opportunities.
 - **Federal Reserve Monetary Policy**: One year ago we discussed the strong likelihood of the Fed officially adjusting monetary policy toward actively tighter conditions (which is achieved by raising the overnight borrowing rate, aka the “Fed Funds Target”). In December 2015, after nearly seven years of Zero Interest Rate Policy (ZIRP), they took action and raised the overnight upper limit 25bps. It was widely believed that 2016 would see a series of follow-on rate hikes. This would have been, mostly, good news for the portfolio which has been well positioned for higher rates. Unfortunately, the subsequent rate hikes have yet to happen. And, post Brexit, the likelihood of more rate hikes in 2016 is virtually 0% and 2017 is not looking promising either. So our hope for a normalized yield regime has,

again, been postponed. Simultaneously, in Europe and Asia, Negative Interest Rate Policy (NIRP) has become common. Can we avoid the same? Undoubtedly, the Fed does not wish to embrace NIRP, but how can we avoid it when so much of the balance of the globe is employing this tact for stoking national economic engines?

- **Oil Price Rebound?**: Though still a far cry from its \$91 2014 high, oil touched 2016 price highs in June. Settling near \$50 continues to be a psychologically significant target which could motivate the Fed to move rates up if it continues.
- Where to from here? In an uncertain post-Brexit investing landscape, “lower for longer” seems to be the emerging bond market psychology. Yields are not headed higher anytime soon. Thus, our task continues to be earning maximum nominal yield with minimum risk in the most liquid bonds available. 2% will be increasingly difficult to achieve if current conditions persist, yet it remains an income target. Consequently, investment strategy will not change dramatically. It will be a mixture of buying nominal yields near 2% with bonds and CDs and looking for “yield curve roll” opportunities if/when steepness in the short end of the yield curve returns. The twin goals of LIQUIDITY and INCOME remain in deliberate focus.

State Statutory Limit on Investments

10% limit on Admitted Assets

Admitted Assets	\$ 22,505,000.00
10%	
KWORCC Equity Fund Investments	\$ 2,250,500.00
	<u>\$ 1,967,000.00</u>
Total Remaining for Investment	<u>\$ 283,500.00</u>

KWORCC Investment Policy Limit

25% of Net Fund Balance

Fund Balance	\$ 14,765,135.00
25%	
BOK Cost as of July 14, 2016	\$ 3,691,283.75
	<u>\$ 3,419,658.09</u>
Total Remaining for Investment	<u>\$ 271,625.66</u>

Minutes
Meeting, Investment Committee
Kansas Worker Risk Cooperative for Counties
Jayhawk Tower – Senate Room
700 SW Jackson Street, Topeka KS 66603
July 14, 2016

On Thursday, July 14, 2016 at 12:15 PM the Investment Committee of Kansas Workers Risk Cooperative for Counties (“KWORCC”) met at the Jayhawk Tower Senate Room, Topeka, Kansas. The meeting was called to order by Committee Chair, Bonnie “Rob” Roberts. Committee Members participating included: Chairman Bonnie “Rob” Roberts, Miami County Commissioner; Stan McEvoy, Decatur County Commissioner and Sandy Barton, Stanton County Clerk. Also present was KWORCC Trustee Dr. Steve Garten, Barber County Commissioner, KWORCC Administrator, James Parrish and Country Club Bank Vice President Christopher B. Thompson.

Chairman Roberts called the meeting to order at 12:15 PM. Mr. McEvoy moved to approve the Agenda as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Chairman Roberts asked consideration of minutes of the Committee’s meeting on December 17, 2015. Mr. McEvoy moved to approve the minutes as presented. Ms. Barton seconded the motion which CARRIED unanimously.

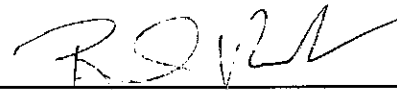
Next, the Committee asked to hear from Mr. Thompson concerning KWORCC Board Portfolio Updated as of June 30, 2016. Mr. Thompson reviewed the portfolio as well as market themes impacting the investments (see attached summary and list of investments). Mr. Thompson called for and responded to questions from committee members and staff.

Chairman Roberts took up KWORCC Resolution 2016-49 with attached itemization of investment purchases made in United States Government securities from the period December 1, 2015 to June 30, 2016. Upon review, the Committee determined that the transactions were in accordance with KWORCC Investment Policy and K.S.A. 40-2a01. Ms. Barton moved to recommend that the KWORCC Board of Trustees adopt KWORCC Resolution 2016-49. Mr. McEvoy seconded the motion which CARRIED unanimously.

Then, Chairman Roberts asked the Committee to consider continuation of equity investments with Bank of Oklahoma (BOK). Mr. Parrish distributed a summary showing the statutory and KWORCC Investment Policy limits for equity investments, a copy of which is attached hereto. Mr. Parrish explained the reasoning behind the limits and said that KWORCC could continue investing at the current pace for the next six months and stay within the limitations imposed. Upon review of the most recent update from BOK and discussion of the limitations described by Mr. Parrish, Ms. Barton moved to continue monthly equity investments at BOK for the next six months at a reduced level of \$10,000 each month, instead of the \$20,000 per month plan in place over the previous 12 months. Mr. McEvoy expressed concern that KWORCC was approaching the limitations and stated the belief that there should be a pause in equity investments. Mr. Roberts seconded the motion which CARRIED with Mr. McEvoy dissenting.

There being no further business to come before the Committee, Chairman Roberts adjourned the meeting at 1:04 pm.

THE FOREGOING MINUTES of the Investment Committee of Kansas Workers Risk Cooperative for Counties were executed by the Chair of that Committee on December 15, 2016.



Bonnie "Rob" Roberts, Chair
KWORCC Investment Committee

6/30/2016

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30	FEDERAL HOME LOAN BANK	US Agency	500,000	500,000	495,370	(4,630)	-0.926%	3.050	3.050	4/14/2031	10/14/2016	Continuous	4/14/2031
			20,820,000	20,890,251	21,127,806	237,554	1.137%	2.117	1.990	7/14/2022			5/16/2021

Annual Income \$ 414,229

book price 100.337 mkt price 101.478

Legend	FDIC Cils	
USTN	United States Treasury Note	5.3%
FFCB	Federal Farm Credit Bank	12.2%
FHLB	Federal Home Loan Bank	22.3%
FHLMC	Federal Home Loan Mortgage Co (Freddie Mac)	28.3%
FNMA	Federal National Mortgage Co (Fannie Mae)	7.3%
		24.6%
		100.0%

KWORCC Bond Portfolio Update: June 30, 2016

- Portfolio is invested in top grade US Government/Agency debentures (ie: plain, old-fashioned, bonds) and FDIC insured bank CDs
- As of June 30, 2016, the portfolio is comprised of 30 separate and direct holdings which trade in “steady and ready” liquid markets (ie: easily and quickly converted to cash)
- Jun 30 2016 Par Value: \$20,820,000 (+\$200,000 more than 1yr ago)
- Jun 30 2015 Market Value: \$21,127,806 (+ \$642,000 more than 1yr ago)
- Average “Effective” Maturity: approximately 6.04yrs (“effective maturity” is the most likely maturity, which accounts for likely call options being exercised, or not, prior to stated maturity). This represents a contraction of roughly 2½ months vs June 2015.
- Portfolio Average Coupon Rate: 2.11% / Yield: 1.99% (15bps higher than June 2015)
- Market themes impacting the portfolio
 - **“Brexit”**: On June 23rd, Britain voted to leave the European Union, which was an outcome that, 24hours prior to the vote, seemed highly improbable. Once the news broke, financial markets reacted swiftly with surprise, fear and panic. This was a decidedly good thing for holders of high credit quality, plain vanilla US Govt bonds...because that’s where frightened money flocked as uncertainty overwhelmed nervous markets. However, we are less interested in seeing the value of our portfolio rise (which it has) than gaining opportunities to boost portfolio nominal yield (income) with high grade govt bonds. Unfortunately, Brexit has greatly diminished those opportunities.
 - **Federal Reserve Monetary Policy**: One year ago we discussed the strong likelihood of the Fed officially adjusting monetary policy toward actively tighter conditions (which is achieved by raising the overnight borrowing rate, aka the “Fed Funds Target”). In December 2015, after nearly seven years of Zero Interest Rate Policy (ZIRP), they took action and raised the overnight upper limit 25bps. It was widely believed that 2016 would see a series of follow-on rate hikes. This would have been, mostly, good news for the portfolio which has been well positioned for higher rates. Unfortunately, the subsequent rate hikes have yet to happen. And, post Brexit, the likelihood of more rate hikes in 2016 is virtually 0% and 2017 is not looking promising either. So our hope for a normalized yield regime has,

again, been postponed. Simultaneously, in Europe and Asia, Negative Interest Rate Policy (NIRP) has become common. Can we avoid the same? Undoubtedly, the Fed does not wish to embrace NIRP, but how can we avoid it when so much of the balance of the globe is employing this tact for stoking national economic engines?

- **Oil Price Rebound?**: Though still a far cry from its \$91 2014 high, oil touched 2016 price highs in June. Settling near \$50 continues to be a psychologically significant target which could motivate the Fed to move rates up if it continues.
- Where to from here? In an uncertain post-Brexit investing landscape, “lower for longer” seems to be the emerging bond market psychology. Yields are not headed higher anytime soon. Thus, our task continues to be earning maximum nominal yield with minimum risk in the most liquid bonds available. 2% will be increasingly difficult to achieve if current conditions persist, yet it remains an income target. Consequently, investment strategy will not change dramatically. It will be a mixture of buying nominal yields near 2% with bonds and CDs and looking for “yield curve roll” opportunities if/when steepness in the short end of the yield curve returns. The twin goals of LIQUIDITY and INCOME remain in deliberate focus.

State Statutory Limit on Investments

10% limit on Admitted Assets

Admitted Assets	\$ 22,505,000.00
10%	
KWORCC Equity Fund Investments	\$ 2,250,500.00
	<u>\$ 1,967,000.00</u>
Total Remaining for Investment	<u>\$ 283,500.00</u>

KWORCC Investment Policy Limit

25% of Net Fund Balance

Fund Balance	\$ 14,765,135.00
25%	
BOK Cost as of July 14, 2016	\$ 3,691,283.75
	<u>\$ 3,419,658.09</u>
Total Remaining for Investment	<u>\$ 271,625.66</u>

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
August 25, 2016 at 1:00 pm via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The August 2016 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 August 25, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttrton, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; and Dr. Steve Garten, Barber 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; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Ms. Beth Byrne, Accountant; Mr. Ralph D. Unger, Member Services Representative and Mr. Ben Woner, Loss Prevention Specialist.

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

President Caspers first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish recommended the addition of Agenda Item No. 2a "Excuse Bonnie "Rob" Roberts, Miami County Commissioner for County Business." Ms. Buttrton moved to approve the agenda with that addition. Dr. Garten seconded the motion which CARRIED unanimously.

Mr. McEvoy moved to excuse Mr. Bonnie "Rob" Roberts from the meeting for county business. Ms. Barton seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of July 14, 2016." Dr. Garten moved to approve the minutes as presented. Ms. Garrett seconded the motion which CARRIED unanimously.

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

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Ms. Byrne discussed in detail the financial statements she prepared for July 2016. Dr. Garten moved to receive and file the financial reports. Ms. Barton seconded the motion which CARRIED unanimously.

Ms. Byrne presented the check register and answered questions. Ms. Barton moved to approve check Nos. 17198 through 17238 and the direct debits. Mr. McEvoy seconded the motion which CARRIED unanimously.

Next, Ms. Byrne reviewed reports showing the value of KWORCC's equity investments as of August 17, 2016.

President Caspers addressed Agenda Item No. 7, "Claims Report - CRS." As to Agenda Item No. 7a, "Select Claims Review," Ms. Cox reported on claims, answered questions and requested approval of the pending settlements. Ms. Buttrton moved to approve the proposed course of action for claim number 2014048059. Ms. Garrett seconded the motion which CARRIED unanimously. Mr. McEvoy moved to approve the proposed course of action for claim number 2015071199. Dr. Garten seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." Ms. Cox reported the amount billed totals \$2,368,365 for the period beginning January 1, 2016 through July 31, 2016. She said the actual paid amount for that period totals \$963,677, resulting in a net savings of \$1,404,688, after fees are paid. This is more than 58% of the amount billed for this seven-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 2012 through July 2016. 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 July 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Eyman to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Eyman reviewed July, August and September calendars for the loss-prevention staff. He then reported on the enrollment rates and courses completed by the membership for the GovU online courses.

President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated there were no legal updates at this time.

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." There were no committees to report at this time.

President Caspers then addressed Agenda Item No. 11, "Other Items." There were no other items to come before the Board.

There being no further business, Ms. Garrett moved to adjourn the meeting at 1:48 p.m. Ms. Buttron seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 22nd day of September, 2016.



Michelle Garrett, Secretary
KWORCC Board of Trustees

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
September 22, 2016 at 1:00 pm
Downtown Ramada Hotel & Convention Center
420 SE 6th, Madison Room
Topeka, KS 66607

The September 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:09 p.m. on September 22, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Dr. Steve Garten, Barber County Commissioner; and Bonnie "Rob" 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; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Ms. Beth Byrne, Accountant; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ralph D. Unger, Member Services Representative and Mr. Bruce Woner, General Counsel.

CORnerstone Risk Solutions (CRS) was represented by Mr. Jess Cornejo.

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

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of August 25, 2016." Ms. Garrett moved to approve the minutes as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Next, President Caspers asked Mr. Parrish to address Agenda Item No. 4, "Administrator's Report." Under "Checks Requiring Board Approval and Ratification of Electronic Transfers 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. Roberts seconded the motion which CARRIED unanimously.

Mr. Parrish then addressed Agenda Item No. 4b, "KAC Vendor Booth and KWORCC Annual Meeting Update." He 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 KAC showing several Board members who are acting as presenters are included in the Board packet. He then asked Ms. Bird to review the nominees for the trustee and delegate appointments received from Member counties.

Next, Mr. Parrish asked Mr. Cornejo to address Agenda Item No. 4c, "Cyber Liability Policy." Mr. Cornejo explained that he had researched various cyber liability policies and thinks the Lloyds of London policy is the best choice for KWORCC. The policy limit is \$1,000,000 with a \$5,000 deductible per occurrence. He then asked for and responded to questions. Mr. Roberts moved to approve the purchase of the Cyber Liability Policy. Dr. Garten seconded the motion which CARRIED unanimously.

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Ms. Byrne discussed in detail the financial statements she prepared for August 2016. Ms. Buttron moved to receive and file the financial reports. Ms. Barton seconded the motion which CARRIED unanimously.

Ms. Byrne presented the check register and answered questions. Ms. Barton moved to approve check Nos. 17239 through 17284 and the direct debits. Mr. Roberts seconded the motion which CARRIED unanimously.

Next, Ms. Byrne reviewed reports showing the value of KWORCC's equity investments as of September 14, 2016.

President Caspers addressed Agenda Item No. 7, "Claims Report - CRS." As to Agenda Item No. 7a, "Select Claims Review," Mr. Cornejo reported on a claim and answered questions. He then requested approval of a pending settlement. Mr. McEvoy moved to approve the proposed course of action for claim number 2014069397. Dr. Garten seconded the motion which CARRIED unanimously.

Mr. Cornejo then discussed Agenda Item No. 7b, "CompTech Bill Review Report." He reported the amount billed totals \$2,641,203 for the period beginning January 1, 2016 through August 31, 2016. He said the actual paid amount for that period totals \$1,088,312, resulting in a net savings of \$1,552,891, after fees are paid. This is more than 58% of the amount billed for this eight-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 2012 through August 2016. 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 August 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed August, September and October calendars for the loss-prevention staff. He stated that the loss prevention staff made 321 county contacts so far this year. He then reported on the enrollment rates and courses completed by the membership for the GovU online courses.

President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish reported on the Opt-out Workers Compensation plans that are trending mostly in the southern states. The opt-out law was recently declared unconstitutional by the Oklahoma Supreme Court.

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Under Item 10a, "Personnel Committee," Dr. Garten reported that the committee had met prior to the board meeting. He stated that Blue Cross Blue Shield is asking for a 16.5% increase in health insurance premiums with a slight increase in deductibles. The committee is recommending KWORCC accept that proposal. Dr. Garten moved to approve the Blue Cross Blue Shield policy. Mr. McEvoy seconded the motion which CARRIED unanimously. Second, the committee discussed the change in the law dealing with overtime. There was only one employee who did not meet the minimum standard of \$47,476. The committee recommends increasing that employee's salary to the minimum standard while exempting him from any COLA approved by the Board for 2017. Ms. Garrett moved to follow the committee's recommendation. Dr. Garten seconded the motion which CARRIED unanimously. Finally, the committee discussed a cost of living adjustment (COLA) for KWORCC staff and is recommending a 3% COLA increase for 2017. Mr. McEvoy moved to approve the 3% COLA increase, excluding the employee previously discussed. Ms. Garrett seconded the motion, which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 11, "Other Items." Mr. Parrish shared the thank you note KWORCC had received from Southeast KAC.

There being no further business, Ms. Garrett moved to adjourn the meeting at 2:17 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 20th day of October, 2016.



Michelle Garrett, Secretary
KWORCC Board of Trustees

Minutes
Meeting, Personnel Committee
Kansas Worker Risk Cooperative for Counties
February 18, 2016 at 12:15 p.m.
Clubhouse Inn
924 SW Henderson Road
Topeka, KS 66615

On Thursday, February 18, 2016, 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, Steve Garten at 12:15 p.m. Committee Members participating included: Steve Garten, Barber County Commissioner; Michelle Garrett, Morris County Clerk and Stan McEvoy, Decatur County Commissioner. Also present was James W. Parrish, KWORCC Administrator.

Chairman Garten asked for approval of the agenda. Mr. Parrish requested the addition of item 3a, "Confirm Administrator's Cost of Living (COLA) Increase." Mr. McEvoy moved to adopt the revised agenda and approve the August 20, 2015 minutes. Ms. Garrett seconded the motion which CARRIED unanimously.

Chairman Garten asked Mr. Parrish to address the added agenda item. Mr. Parrish explained that staff wanted confirmation that the 3% COLA that was approved in August applies to the Administrator's salary. There was a break in service last fall, and when the Administrator was reinstated it was unclear whether the position was to be at the prior wage or include the COLA. He said that staff did not include the increase for January and February wages, pending review by the Personnel Committee. After discussion, the Committee agreed by consensus that the 3% COLA increase should be included in the 2016 salary.

Chairman Garten then requested that Mr. Parrish discuss KWORCC personnel status. Mr. Parrish outlined Health and Safety Specialist training undertaken by Brandon Mann. Next, Mr. Parrish discussed the job status of KWORCC Accountant, Beth Byrne, including her salary, job history and education.

Next, Chairperson Garten addressed KWORCC staff performance enhancement. Mr. Parrish answered questions about the job performance of staff members. He emphasized that staff provided excellent service in 2015 and continues to do so. He also pointed out that KWORCC's fund balance is up more than \$500,000 at the end of 2015, compared to 2014 and that KWORCC has brought on three additional members in 2016. After discussion, Mr. McEvoy moved that the Committee recommend to the KWORCC Board to allow performance enhancement in a lump-sum payment of \$18,000 to salaried and contract personnel during 2015, to be distributed at the discretion of the KWORCC Administrator. Ms. Garrett seconded the motion which CARRIED unanimously

There being no further business to come before the Personnel Committee, Ms. Garrett moved to adjourn the meeting at 12:49 p.m. Mr. McEvoy seconded the motion which CARRIED unanimously.

THE FOREGOING MINUTES of the Personnel Committee of KWORCC were executed by the Chair of that Committee on the 25th day of August, 2016.



Steven Garten, Chair
KWORCC Personnel Committee

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
October 20, 2016 at 1:00 pm
Jayhawk Tower
700 SW Jackson, Senate Room
Topeka, KS 66603

The October 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 12:58 p.m. on October 20, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; and Dr. Steve Garten, Barber 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; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Ms. Beth Byrne, Accountant; Mr. Brandon Mann, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist; Mr. Ralph D. Unger, Member Services Representative and Mr. Bruce Woner, General Counsel.

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

President Caspers first addressed Agenda Item No. 2, "Approval of the Agenda." Mr. Parrish suggested the addition of Agenda Item No. 3a, "Excuse Rob Roberts for Personal Business." Ms. Garrett moved to approve the agenda with that addition. Dr. Garten seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of September 22, 2016." Ms. Barton moved to approve the minutes with the correction of a typographical error. Mr. McEvoy seconded the motion which CARRIED unanimously.

President Caspers then called for a motion to excuse Rob Roberts from the meeting. Ms. Garrett so moved. Dr. Garten seconded the motion which CARRIED unanimously.

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

Mr. Parrish then asked Mr. Cargnel to address Agenda Item No. 4b, "KWORCC Actuarial Update: Centric Actuarial Solutions." Mr. Cargnel reported that after review of loss data and discussion with KWORCC and CRS staff, he adjusted the ultimate loss projections for years 2001 to 2015 with a total increase of approximately \$320,000. Based upon the losses reported for the first eight months of 2016, Mr. Cargnel's loss forecast for 2016 increased the ultimate loss estimate from \$4.0 million to \$4.6 million. He said the average cost per claim has decreased slightly to \$7,500 over the past eight years. Next, he discussed his findings for 2017, concluding that the loss pick would be approximately \$1.59 per \$100 of payroll. Based upon the payroll estimates from the membership, the ultimate loss for 2017 is projected to be \$4.4 million. Mr. Cargnel then asked for and responded to questions. President Caspers thanked Mr. Cargnel.

Mr. Parrish then addressed Agenda Item No. 4c "KWORCC Budget 2017." He explained the line items and the rationale for any changes. He then recommended approval and responded to questions. After discussion, Ms. Barton moved to approve the 2017 proposed budget as published. Dr. Garten seconded the motion which CARRIED unanimously.

Mr. Parrish then asked Ms. Bird to address Agenda Item No. 4d, "KAC Vendor Booth and KWORCC Annual Meeting Update." She reviewed the KAC exhibition schedule and asked the Trustees to advise of their availability to assist at KWORCC's booth. She stated that Mr. Mann will be presenting at the "Red Carpet" area in the exhibit hall at 3:30 p.m. Next, Ms. Bird reported that KWORCC has received 52 delegate forms for the annual meeting and stated the KWORCC annual meeting will follow that of KCAMP. Finally, Ms. Bird reported on the nominations received for the three trustee positions which are up for election this year.

Next, Ms. Bird discussed Agenda Item No. 4e, "Multi-State Information Sharing and Analysis Center of the United States Membership." She explained this is a free service recommended by Trustee Rob Roberts. MS-ISAC will monitor the KWORCC website for hacks, assist in the event of internet attack, provide educational materials and furnish IP address and domains of malicious hosts. Mr. McEvoy moved that KWORCC join MS-ISAC. Ms. Barton seconded the motion which CARRIED unanimously.

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Ms. Byrne discussed in detail the financial statements she prepared for September 2016. Dr. Garten moved to receive and file the financial reports. Ms. Garrett seconded the motion which CARRIED unanimously.

Ms. Byrne then presented KWORCC's Group-Funded Pool Quarterly Report as of September 30, 2016, for submission to the Kansas Insurance Department. Ms. Barton moved to approve filing the report as proposed. Mr. McEvoy seconded the motion which CARRIED unanimously.

Ms. Byrne presented the check register and answered questions. Ms. Garrett moved to approve check Nos. 17285 through 17320 and the direct debits. Dr. Garten seconded the motion which CARRIED unanimously.

Next, Ms. Byrne reviewed reports showing the value of KWORCC's equity investments as of October 12, 2016. She stated that she had met with the BOK portfolio manager and asked for additional information. She reported that the return on investment has been 3.96% for the last three months, 7.64% over the last 12 months and 8.64% over last three years. She further stated she would have more information at the investment committee meeting in December.

President Caspers 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 then requested approval of pending settlements. Mr. McEvoy moved to approve the proposed course of action for claim number 2015071199. Dr. Garten seconded the motion which CARRIED unanimously. Dr. Garten moved to approve the proposed course of action for claim number 2015070597. Ms. Barton seconded the motion which CARRIED unanimously. Ms. Garrett moved to approve the proposed course of action for claim number 2016073072. Dr. Garten seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." She reported the amount billed totals \$2,641,203 for the period beginning January 1, 2016 through September 30, 2016. She said the actual paid amount for that period totals \$949,831, resulting in a net savings of \$1,691,372, after fees are paid. This is more than 57% of the amount billed for this eight-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 2012 through September 2016. 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 September 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann gave a brief review of his recent attendance at NCIS. He then reviewed September, October and November calendars for the loss-prevention staff. Finally, he reported on the enrollment rates and courses completed by the membership for the GovU online courses.

President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish stated there were currently no legal matters on which to report.

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." There were no committees needing to present a report. However, Mr. Parrish reminded the Board that the Investment Committee will meet before the December meeting.

President Caspers then addressed Agenda Item No. 11, "Other Items." There was no other business to come before the Board.

There being no further business, Ms. Garrett moved to adjourn the meeting at 3:04 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 15th day of December, 2016.



Michelle Garrett, Secretary
KWORCC Board of Trustees

Minutes of the KWORCC
Annual Meeting
Sheraton Leatherwood 1 & 2
6100 College Blvd
Overland Park, Kansas 66211
November 15, 2016

The Annual Meeting of Kansas Workers Risk Cooperative for Counties (KWORCC) was held on November 15, 2016 in Overland Park at the Sheraton Hotel. Trustees attending included Mr. Gary Caspers, Cloud County Commissioner, President; Mr. Stan McEvoy, Decatur County Commissioner, Vice-President; Ms. Michelle Garrett, Morris County Clerk, Secretary; Ms. Linda Buttron, Jefferson County Clerk, Controller; Ms. Sandy Barton, Stanton County Clerk; Mr. Bonnie "Rob" Roberts, Miami County Commissioner and Dr. Steve Garten, Barber County Commissioner.

Staff Present: Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Manager; 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. Jess Cornejo and Ms. Tina Cox of CORnerstone Risk Solutions.

President Caspers called the meeting to order at 6:04 p.m. and verified that a quorum was present.

Member County representatives were present as follows: Sherrie L. Riebel, Allen County Clerk, Delegate; Steve Garten, Barber County Commissioner, Delegate; Janice A. Fine, Chautauqua County Clerk, Delegate; Rebecca Mishler, Clark County Clerk, Delegate; Gary Caspers, Cloud County Commissioner, Delegate; Bradley Marcuson, Decatur County Commissioner, Delegate; LaVerne Myer, Dickinson County Commissioner, Delegate; Shari Kaminska, Elk County Commissioner, Delegate; Barbara W. Wasinger, Ellis County Commissioner, Delegate; Brenda Pogue, Ford County Register of Deeds, Alternate; Roy Dunn, Franklin County Commissioner, Delegate; Florence Whitebread, Geary County Commissioner, Delegate; Michael R. Gillespie, Gove County Commissioner, Delegate; Nikki Schwerdfeger, Hamilton County Commissioner, Delegate; Carla Pence, Harper County Commissioner, Delegate; Randy Hague, Harvey County Commissioner, Delegate; Linda M. Buttron, Jefferson County Clerk, Delegate; Thomas J. Bennett, Lane County Commissioner, Delegate; Terry Finch, Lincoln County Commissioner, Delegate; David Lamb, Linn County Clerk, Delegate; Linus L. Linaweaver, McPherson County Commissioner, Delegate; Bonnie E. "Rob" Roberts, Miami County Commissioner, Delegate; Jim Marshall, Mitchell County Commissioner, Delegate; Michelle Garrett, Morris County Clerk, Delegate; Randy Bane, Morton County Commissioner, Delegate; Sandra Rupp, Ness County Commissioner, Delegate; Gaylord Anderson, Osage County Commissioner, Alternate; Alfred Reif, Osborne County Commissioner, Delegate; Kathy Luthi, Ottawa County Commissioner, Alternate; Lisa Woody, Rawlins County Commissioner, Delegate; William D. Oswald, Rice County Commissioner, Delegate; Gary Skibbe, Scott County Commissioner, Delegate; Vic Bielser, Sheridan County Commissioner, Delegate; Steve Evert, Sherman County Commissioner, Delegate; Roger Allen, Smith County Commissioner, Alternate; Clayton Grimmett, Stafford County Commissioner, Delegate; Sandy Barton, Stanton County Clerk, Alternate; Paul M. Steele, Thomas County Commissioner, Delegate; Lori Augustine, Trego County Clerk, Alternate and Adam W. Smith, Wallace County Commissioner, Delegate.

President Caspers then addressed Agenda Item No. 2, "Approval of the Agenda." Florence Whitebread, Geary County Commissioner, moved to approve the agenda as presented. Shari Kaminska, Elk County Commissioner, seconded the motion which CARRIED unanimously.

President Caspers addressed Agenda Item No. 3, "Consideration of the Minutes of the Meeting of November 4, 2015." Barbara W. Wasinger, Ellis County Commissioner, moved to approve the minutes as presented. Randy Hague, Harvey County Commissioner, seconded the motion which CARRIED unanimously.

President Caspers next addressed Agenda Item No. 4, "Election of KWORCC Trustees." He announced that there were three positions open, with nominations received for the following: Michelle Garrett, Morris County Clerk, incumbent and Lynne Oharah, Bourbon County Commissioner, for the At Large position; Linda Buttron, Jefferson County Clerk, incumbent for the Northeast District; Sandy Barton, Stanton County Clerk, incumbent, for the Southwest District. President Caspers then asked for nominations from the floor. Once nominations were closed President Caspers asked the Members to vote for one candidate in each section and asked Florence Whitebread, Geary County Commissioner, Sherrie L. Riebel, Allen County Clerk and Nikki Schwerdfeger, Hamilton County Commissioner to collect and count the ballots.

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.

President Caspers then introduced the members of the KWORCC Board of Trustees, the KWORCC staff and the representatives from CORnerstone Risk Solutions. He discussed the current status of KWORCC membership, noting that the pool has 85 members including 74 county members, two hospitals, four rural water districts, an airport authority and four county instrumentalities.

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.

President Caspers reported that KWORCC has more than \$24 Million in assets and is stronger than ever. He said KWORCC continues to strive to keep premiums down, thus for a sixth year in a row, the Trustees have committed substantial reserve funds to reduce premiums in 2017. He explained that this also rewards members for continued loyalty. President Caspers said another strategy for reducing premiums is that KWORCC highlights continuous promotion of workplace safety.

President Caspers then called upon Ms. Beth Byrne to address Agenda Item No. 6, "Financial Report." Ms. Byrne presented the statement of financial condition and statement of operations as of September 30, 2016. She then asked for and responded to questions.

President Caspers thanked the ballot counters and stated that the trustees elected are Michelle Garrett, Sandy Barton and Linda Buttron.

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 2016 they performed a total of 398 county visits including inspections and trainings. There were 1,233 courses taken online by the membership and 586 county employees have taken defensive driving. 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. Eyman 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 2015 awards are as follows:

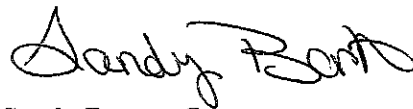
<u>Premium</u>	<u>Winners</u>	<u>Loss Ratio</u>
0-\$55,000	1st tie ~ Ottawa County	0.0%
	1st tie ~ Scott County	0.0%
	1st tie ~ Wallace County	0.0%
	2nd ~ Lane County	0.2%
	3rd ~ Chautauqua County	0.4%
\$55,000— \$125,000	1st tie ~ Gove County	0.0%
	1st tie ~ Mitchell County	0.0%
	2nd ~ Morris County	0.3%
	3rd ~ Pawnee County	1.0%
Greater than \$125,000	1st ~ Pottawatomie County	7.0%
	2nd ~ Ellis County	12.0%
	3rd ~ Linn County	15.0%

President Caspers asked Mr. Parrish to address Agenda Item No. 8, "Presentation of 2017 Budget." Mr. Parrish 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.

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

There being no further business, Barbara W. Wasinger, Ellis County Commissioner, moved to adjourn the meeting at 6:30 p.m. Paul M. Steele, Thomas County Commissioner, seconded the motion which CARRIED unanimously.

Respectfully Submitted for Approval



Sandy Barton, Secretary

Minutes
Meeting, Investment Committee
Kansas Worker Risk Cooperative for Counties
Clubhouse Inn - Conference Room
924 SW Henderson Rd., Topeka KS 66615
December 15, 2016

On Thursday, December 15, 2016 at 12:16 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, Rob Roberts. Committee Members participating included: Rob Roberts, Miami County Commissioner; Stan McEvoy, Decatur County Commissioner and Sandy Barton, Stanton County Clerk. Also present was KWORCC Administrator, Jim Parrish. BOK Financial appeared by Stephen R. Page and Michelle Sullivan.

Chairman Roberts called the meeting to order at 12:16 PM. Mr. McEvoy moved to approve the Agenda as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Chairman Roberts asked for consideration of the minutes of the Committee's meeting on July 14, 2016. Mr. McEvoy moved to approve the minutes as presented. Ms. Barton seconded the motion which CARRIED unanimously.

Next, Chairman Roberts requested review of KWORCC Resolution 2016-96 with attached itemization of investment purchases made in United States Government securities from the period July 1, 2016 through November 30, 2016. Upon review, Mr. McEvoy moved to recommend to the KWORCC Board of Trustees to approve the resolution in that the transactions were in accordance with KWORCC Investment Policy and K.S.A. 40-2a01. Ms. Barton seconded the motion which CARRIED unanimously.

Whereupon, Chairman Roberts asked for presentation by BOK Financial. Mr. Page and Ms. Sullivan presented a review of the KWORCC equity investment portfolio. They reported that as of October 31, 2016, both the fixed income markets as well as US equities had increased in value. Furthermore, the Barclays Aggregate Bond index was up almost 5% year to date and the S&P 500 up almost 6%. Also, the small and mid-cap stocks slightly outperformed large cap stocks and emerging markets were up over 16% and developed markets were relatively flat. In addition, they reported with respect to equity returns, over the past 12 months, the portfolio shows a return of 1.78% (net of fees), with such annualized returns of 3.57% and 8.26% over the last 3 and 5 years, respectively. The Committee then reviewed information relating to the specific holdings in the portfolio. BOK staff emphasized their policy that diversification of the portfolio will reduce market risk. They also stated that in November the election results and stronger-than-expected economic data spurred confidence in the market, as investors expected increased spending on infrastructure along with reduced regulations and taxes. As widely expected, the Federal Reserve raised rates by 25 basis points in December, the first increase in a year. Ms. Sullivan recommended that KWORCC add to its investment policy specific guidelines for alternative investments such as publicly traded Real Estate Investment Trusts.

Mr. Parrish then reviewed the current limits for equity investments, noting that KWORCC is approaching the limitations imposed by statute and KWORCC's Investment Policy. After discussion, Mr. McEvoy moved to recommend to the KWORCC Board of Trustees that KWORCC discontinue additional equity investments cease until further review and determination. Ms. Barton seconded the motion which CARRIED unanimously.

There being no further business to come before the Committee, Chairman Roberts adjourned the meeting at 1:10 PM.

THE FOREGOING MINUTES of the Investment Committee of Kansas Workers Risk Cooperative for Counties were executed by the Chair of that Committee on July 27, 2017.

A handwritten signature in black ink, appearing to read "Rob Roberts", is written over a horizontal line. The signature is stylized and cursive.

Rob Roberts, Chair
KWORCC Investment Committee

State Statutory Limit on Investments

10% limit on Admitted Assets

Admitted Assets	\$ 22,505,701.00
10% KWORCC Equity Fund Investments	\$ 2,250,570.10
	<u>\$ 1,997,000.00</u>
Total Remaining for Investment	<u>\$ 253,570.10</u>

KWORCC Investment Policy Limit

25% of Net Fund Balance

Fund Balance	\$ 14,765,135.00
25% BOK Cost as of December 6, 2016	\$ 3,691,283.75
	<u>\$ 3,444,370.00</u> <i>From Report</i>
Total Remaining for Investment	<u>\$ 246,913.75</u>

ASSET CLASS REVIEW - REPORT PERIOD: 1/1/11 TO 10/31/16

ASSET CLASS/BENCHMARK	PORTFOLIO ALLOCATION	LAST 3 MONTHS	LAST 6 MONTHS	FISCAL YTD	LAST 12 MONTHS	LAST 3 YEARS ¹	LAST 5 YEARS ¹
Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Not Applicable		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Money Mkts & Equivalents	2.76%	0.06%	0.12%	0.20%	0.21%	0.08%	0.14%
90-Day US Treasury Bill		0.08%	0.15%	0.24%	0.27%	0.11%	0.09%
Fixed Income	0.00%	0.00% ²	0.00% ²	0.00% ²	0.00% ²	0.34% ²	0.49% ²
BBG BARC Interm Govt/Credit Index		0.00% ²	0.00% ²	0.00% ²	0.00% ²	2.46% ²	2.20% ²
Equities	94.43%	-1.02%	4.11%	4.84%	2.53%	4.51%	10.38%
Alternative Investments	2.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
HFRI Fund of Funds Composite Index		-10.81%	1.69%	5.48%	6.71%	6.81% ²	4.80% ²
		0.85%	2.07%	-1.01%	-0.82%	1.17% ²	3.24% ²
TOTAL PORTFOLIO (Gross of fees)	100.00%	-1.36%	3.80%	4.52%	2.39%	4.19%	8.91%
TOTAL PORTFOLIO (Net of fees)³		-1.50%	3.49%	4.00%	1.78%	3.57%	8.26%

¹ Annualized Return

² Held less than column period

³ Starting January 2011, management fees have been incorporated into performance calculations.

I, Michelle Garrett, 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 15th day of December, 2016 at which a quorum was present:

RESOLUTION #2016-96

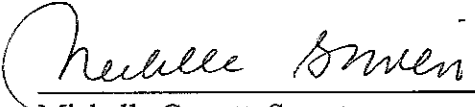
WHEREAS, KWORCC has elected to place investments pursuant to Chapter 40 of Kansas Statutes Annotated, and thus is to comply with the provisions thereof;

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, 2016 through November 30, 2016, 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, 2016 through November 30, 2016, 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 15th day of December, 2016.


Michelle Garrett, Secretary

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	07/01/2016	11/30/2016		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

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 Pgr	Price	Withholding
Port ID	Moody/StdPoor/MktRtg	CPN Rate	Fail Pmt	Conv			Penalty
Deal ID	Broker	CLoc/PLoc	Pay/Del	Buyback	yield		Total Amt
311162658	KWORCC (302)	E/*		07/06/2016	1.0000000000	150,000.00	150,093.75
300121	U.S. Treasury Notes			07/06/2016	Purch	150,000.00	325.55
912828H78		.000		07/07/2016	skml14	100.0625	.00
912828H78		.500	n-07/07/16	09	BCT	100.062500000	.00
028-TNTS	//	ccf/ccf	n-07/07/16	na			.00
0			c/sko	n	.38900000		150,419.30
421000513	KWORCC (302)	E/*		08/02/2016	1.0000000000	240,000.00	240,000.00
300121	FIRST NATL BK OF AMERICA			08/02/2016	Sale	240,000.00	105.21
32110YH01	EAST LANSING MI FDIC#17438	.000		08/05/2016	jkcl14	100.0	.00
32110YH01	MEDIUM TERM CD	12/28/2026	n-08/05/16	09	BCT	100.000000000	.00
083-cdrp	//	2.0	n-08/05/16	na			.00
0		ccd/ccd	c/ski	n	2.00000000		240,105.21
421000534	KWORCC (302)	E/*		08/04/2016	1.0000000000	350,000.00	350,000.00
300121	FEDERAL HOME LOAN BANK	C-08/10/17		08/04/2016	Sale	350,000.00	.00
3130A8XN8	CONTN CALL BEG 08/10/2017	100.000		08/10/2016	jkcl14	100	.00
3130A8XN8		08/10/2026	n-08/10/16	09	BCT	100.000000000	.00
032-Agcy	Aaa/AA+/	2.1	n-08/10/16	na			.00
0		ccf/ccf	c/ski	n	2.10000000		350,000.00
421000972	KWORCC (302)	E/*		08/12/2016	1.0000000000	680,000.00	680,000.00
300121	FHLMC 2.0 STEP UP 2.25 8/22/22	C-02/22/17		08/12/2016	Sale	680,000.00	.00
3134GAAW4	QRTLY CALL BEG 2/22/17 MTN	100.000		08/22/2016	jkcl14	100.00	.00
3134GAAW4	MULTI STEP	08/22/2031	n-08/22/16	09	BCT	100.000000000	.00
032-Agcy	Aaa/AA+/	VAR	n-08/22/16	na			.00
0		ccf/ccf	c/ski	n	2.00000000		680,000.00
421001096	KWORCC (302)	E/*		08/15/2016	1.0000000000	320,000.00	320,000.00
300121	FANNIE MAE	C-08/25/17		08/15/2016	Sale	320,000.00	.00
3136G3368	ANNUAL CALL BEG 08/25/2017	100.000		08/25/2016	jkcl14	100.00	.00
3136G3368		08/25/2028	n-08/25/16	09	BCT	100.000000000	.00
032-Agcy	//	2.0	n-08/25/16	na			.00
0		ccf/ccf	c/ski	n	2.00000000		320,000.00
421002008	KWORCC (302)	E/*		09/07/2016	1.0000000000	250,000.00	250,048.83
300121	U.S. Treasury Notes			09/07/2016	Purch	250,000.00	132.47
912828H78		.000		09/08/2016	jkcl14	100.01953125	.00
912828H78		.500	n-09/08/16	09	BCT	100.019531250	.00
028-TNTS	//	ccf/ccf	n-09/08/16	na			.00
0			c/sko	n	.45000000		250,181.30

Trade History Report
Country Club Bank

For Trades Executed At: Country Club Bank

Ticket Nbr	Cust S/N	Reg Type/Id	Apr By	Dt Enter	Factor	Face	Prin
Cusip	Sec Descrip 1	Call Cd-Dt	Apr Date	Trade Dt	Tran Cd	Par	Interest
Security	Sec Descrip 2	Call Price	Apr Time	Settle Dt	Ent By	Basis	Fees
Port ID	Sec Descrip 3	Mat Date	Fail Del	Trd Status	Trd For	Price	Withholding
Deal ID	Moody/StdPoor/MktRtg	CPN Rate	Fail Fmt	Conv	Yield		Penalty
	Broker	Cloc/Ploc	Pay/Del	Buyback			Total Amt
421002402	KWORCC (302)	E/*		09/15/2016	1.0000000000	1,000,000.00	1,001,000.00
300121	FEDERAL FARM CREDIT BANK	c-05/16/17		09/15/2016	Purch	1,000,000.00	6,666.67
3133EGAD7	CONT CALL BEG 05/16/2017	100.000		09/16/2016	jkcl44	100.10	.00
3133EGAD7		05/16/2023	n-09/16/16	09	BCT	100.1000000000	.00
032-Agcy	Aaa/AA+/	2.00	n-09/16/16	na			.00
0		ccf/ccf	c/sko	n	1.8470000		1,007,666.67
421002404	KWORCC (302)	E/*		09/15/2016	1.0000000000	1,000,000.00	1,000,000.00
300121	FEDERAL FARM CREDIT BANK	c-09/08/17		09/15/2016	Sale	1,000,000.00	464.44
3133EGTNS	CONT CALL BEG 9/8/2017	100.000		09/16/2016	jkcl44	100.00	.00
3133EGTNS		09/08/2026	n-09/16/16	09	BCT	100.0000000000	.00
032-Agcy	Aaa/AA+/	2.09	n-09/16/16	na			.00
0		ccf/ccf	c/ski	n	2.0900000		1,000,464.44
421002907	KWORCC (302)	E/*		10/05/2016	1.0000000000	1,000,000.00	1,000,000.00
300121	FEDERAL FARM CREDIT BANK	c-10/05/17		10/04/2016	Sale	1,000,000.00	116.11
3133EGWU5	CONT CALL BEG 10/05/2017	100.000		10/07/2016	jkcl44	100.00	.00
3133EGWU5		10/05/2026	n-10/07/16	09	BCT	100.0000000000	.00
032-Agcy	Aaa/AA+/	2.09	n-10/07/16	na			.00
0		ccf/ccf	c/ski	n	2.0900000		1,000,116.11
421003211	KWORCC (302)	E/*		10/12/2016	1.0000000000	500,000.00	500,000.00
300121	FEDERAL HOME LOAN BANK	c-01/17/17		10/12/2016	Sale	500,000.00	.00
3130A9P96	CONT CALL BEG 1/17/2017	100.000		10/17/2016	jkcl44	100.00	.00
3130A9P96		10/17/2036	n-10/17/16	09	BCT	100.0000000000	.00
032-Agcy	Aaa/AA+/	2.77	n-10/17/16	na			.00
0		ccd/ccd	c/ski	n	2.7700000		500,000.00
421003912	KWORCC (302)	E/*		11/02/2016	1.0000000000	150,000.00	150,058.59
300121	U.S. Treasury Notes	.000		11/02/2016	Purch	150,000.00	193.61
912828H78		01/31/2017	n-11/03/16	09	jkcl44	100.03906250	.00
912828H78		.500	n-11/03/16	na	BCT	100.039062500	.00
028-TWTS	//	ccf/ccf	c/sko	n	.3380000		.00
0							150,252.20

Report Totals

Par: 5,640,000.00 P/L: 20,947.00
 Prin: 5,641,201.17
 Int: 8,004.06
 Total: 5,649,205.23

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
December 15, 2016 at 1:00 pm
Clubhouse Inn
924 SW Henderson Road
Topeka, KS 66615

The December 2016 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:17 p.m. on December 15, 2016 in Topeka by Board President Gary Caspers. Trustees attending included: Gary Caspers, Cloud County Commissioner, President; Stan McEvoy, Decatur County Commissioner, Vice-President; Michelle Garrett, Morris County Clerk, Secretary; Linda Buttron, Jefferson County Clerk, Controller; Sandy Barton, Stanton County Clerk; Dr. Steve Garten, Barber County Commissioner; and Bonnie "Rob" 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; Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director; Ms. Beth Byrne, Accountant; Mr. Brandon Mamm, Loss Prevention Specialist; Mr. Ben Woner, Loss Prevention Specialist; Mr. Ralph D. Unger, Member Services Representative and Mr. Bruce Woner, General Counsel.

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

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

President Caspers then addressed Agenda Item No. 3, "Consideration of Minutes of the Meeting of October 20, 2016." Mr. McEvoy moved to approve the minutes as presented. Mr. Roberts seconded the motion which CARRIED unanimously.

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

Mr. Parrish then asked Ms. Bird to address Agenda Item No. 4b, "Contracts." Ms. Bird presented the contract between KWORCC and CORnerstone Risk Solutions (CRS). Mr. McEvoy moved to approve the agreement with CRS. Dr. Garten seconded the motion which CARRIED unanimously. She then presented the contract renewal for Parrish Management Corporation for rent and office sharing services. Dr. Garten moved to approve the agreement with Parrish Management Corporation. Mr. Roberts seconded the motion which CARRIED unanimously. Ms. Bird then presented the storage space lease renewal with Jayhawk Tower Partners. Ms. Barton moved to approve the agreement with Jayhawk Tower. Mr. Roberts seconded the motion which CARRIED unanimously. Next, she discussed the terms of agreement with InspectAll (inspection tool used by loss prevention staff). Mr. Roberts moved to approve the agreement with InspectAll. Ms. Buttron seconded the motion which CARRIED unanimously. Finally, Ms. Bird discussed the agreements with GovU (online education program for the membership) and Kansas Association of Counties. Mr. McEvoy moved to approve the agreement renewals. Ms. Barton seconded the motion which CARRIED unanimously.

Mr. Parrish then addressed Agenda Item No. 4c "2017 Premiums Approval." Mr. Parrish presented a worksheet itemizing data and proposed 2017 premiums for each member. KWORCC's members include 73 counties and 11 county instrumentalities for 2017. After discussion, Ms. Garrett moved to approve the premiums as presented. Dr. Garten seconded the motion which CARRIED unanimously.

Mr. Parrish then addressed Agenda Item No. 4d, "Schedule 2017 KWORCC Board Meetings." After discussion, the following dates were chosen for KWORCC regular monthly Board meetings in 2017: Thursday, January 26 via teleconference; Thursday, February 23; Thursday, March 23 via teleconference; Thursday, April 27; Thursday, May 18 via teleconference; Thursday, June 22 via teleconference; Thursday, July 27; Thursday, August 24 via teleconference; Thursday September 28; Thursday, October 26 and Thursday, December 14. The regular Board meetings will be held at 1:00 p.m. In addition, the KWORCC Annual Meeting is scheduled for November 14, 2017, starting at 5:30 pm. The location is the Sheraton Overland Park Hotel, to coincide with the annual conference of the Kansas Association of Counties Annual Conference. Ms. Barton moved to approve the dates submitted. Ms. Garrett seconded the motion which CARRIED unanimously.

Finally, Mr. Parrish asked Mr. Ben Woner to address agenda Item No. 4e "National PRIMA - Phoenix, AZ, June 4-7." Mr. Woner stated that PRIMA will be in Phoenix, Arizona next year, June 4-7. He stated that there are now three types of classes being offered. He then asked that anyone interested in attending let him know. Reservations should be able to be made in January and if reservations are made early, those attending should be able to stay in the host hotel.

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

President Caspers then proceeded to Agenda Item No. 6, "Financial Report." Ms. Byrne discussed in detail the financial statements she prepared for October and November 2016. Dr. Garten moved to receive and file the financial reports. Ms. Buttron seconded the motion which CARRIED unanimously.

Ms. Byrne presented the check register and answered questions. Mr. McEvoy moved to approve check Nos. 17321 through 17398 and the direct debits. Mr. Roberts seconded the motion which CARRIED unanimously.

Next, Ms. Byrne reviewed reports showing the value of KWORCC's equity investments as of December 6, 2016.

President Caspers 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 then requested approval of pending settlements. Ms. Buttron moved to approve the proposed course of action for claim number 2013047837. Ms. Garrett seconded the motion which CARRIED unanimously. Mr. Roberts moved to approve the proposed course of action for claim number 2015WR000061. Dr. Garten seconded the motion which CARRIED unanimously.

Ms. Cox then discussed Agenda Item No. 7b, "CompTech Bill Review Report." She reported the amount billed totals \$3,704,274 for the period beginning January 1, 2016 through November 30, 2016. She said the actual paid amount for that period totals \$1,568,311, resulting in a net savings of \$2,135,9564, after fees are paid. This is more than 55% of the amount billed for this eleven-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 2012 through November 2016. 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 November 2016 and should not be considered a guarantee of either good or poor ultimate-loss performance.

President Caspers called upon Mr. Mann to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Mann reviewed November, December and January calendars for the loss-prevention staff. The loss prevention staff has made 387 county visits over the course of the year. He then reported on the enrollment rates and courses completed by the membership for the GovU online courses. Finally, he discussed internet courses that will be offered in 2017 via LocalGovU.

President Caspers addressed Agenda Item No. 9, "Legal Report." Mr. Parrish and Mr. Bruce Woner stated there were currently no legal matters to report.

President Caspers proceeded to Agenda Item No. 10, "Committee Reports." Under Item 10a, "Investment Committee," Mr. Roberts reported that the Investment Committee met prior to the Board meeting and recommended the Board adopt KWORCC Resolution #2016-96. Mr. Roberts moved that the Board follow the committee's recommendation; Ms. Barton seconded the motion which CARRIED unanimously. Mr. Roberts further moved that KWORCC cease making further equity investments with BOK because KWORCC's total investments in equities is approaching the statutory limits for such investments as well as the limits set forth in KWORCC's investment policy. Mr. McEvoy seconded the motion which CARRIED unanimously.

President Caspers then addressed Agenda Item No. 11, "Other Items." There was no other business to come before the Board.

There being no further business, Ms. Garrett moved to adjourn the meeting at 2:57 p.m. Ms. Barton seconded the motion which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 26th day of January, 2017.



Sandy Barton, Secretary
KWORCC Board of Trustees