

CompControl



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The Official KMIT Member Newsletter

KMIT'S ONGOING PROMISE

by Don Osenbaugh, KMIT Pool Administrator

KMIT's one "goal of all goals" is pretty straight-forward: just **to be the best we can be**. And, **that IS our Promise** to our member cities... everything we do, we do our best to do. And, we also promise to try to get better every day, every season, every year, every renewal, every time. A direct statement and a direct goal; and a *very tall order*.

We take our mission, and our promise, very seriously. We ask ourselves the same question every time an annual function comes up... "How can we do it better than we did it last time around?" We are also always looking for ways to add value to our group (see POET, 2015 start).

Of course, we are not perfect – nor do we pretend to be; nor do we act like we are. We know we make mistakes. We use our mistakes to get better. And, we always will. That is simply who we are.

And, we do know who we are: **We are YOU**. KMIT is 'owned' by its member cities. The Board of Trustees represents our cities, and the KMIT 'staff' works for the Board.

KMIT's 'staff' is actually a gaggle of contractors. I am the contracted Pool Administrator. I oversee the entire KMIT pool operation, and all of the other contractors 'report' to me. I report directly to the Board of Trustees. I have been the Pool Administrator since early in 2001. I work out of Derby.

Our primary corporate partner is **IMA/CORnerstone** ('CRS'), with whom KMIT has been associated, in some capacity, since the start, 1994. IMA/CRS is contracted to do all of the accounting and general administration functions of the pool, to oversee 'insurance' functions (such as excess insurance and 'E&O' placement, and risk assessment and management, and pool pricing), and to execute claims management services and risk control (safety) functions, along with various related miscellaneous duties. IMA/CRS knows and performs its business in the most knowledgeable and most professional way possible. A number of key IMA/CRS staff attend EVERY board meeting, and also consult with me on virtually a daily basis.

Milliman, USA (<http://us.milliman.com>) has been contracted to do KMIT's annual actuary report for most, if not all (I am actually not certain about this one) the life of KMIT. I do know this, Milliman is one of the best, if not THE best in their business. We have GREAT faith that the projections of claims costs, past and future, are as accurate as it is possible to make them. That fact gives us much comfort in managing the financial assets of your pool.

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Kansas Municipal Insurance Trust Board of Trustees & Key Contacts

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Randy Frazer – Vice President
Moundridge

David Dillner – Treasurer
Abilene

Tim Hardy – Immediate Past President
Elkhart

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Stockton

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Bel Aire

Kerry Rozman
Clay Center

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Janie Cox
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CompControl and City Safe are publications of the Kansas Municipal Insurance Trust for the purpose of educating and information cities about loss control methods and risk management. If you have any questions concerning KMIT workers' compensation or risk management that you would like to see answered in this newsletter, please direct those inquiries to:

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Carma Drehle-Neth has been doing our annual payroll audits since at least sometime before 2000. Carma represents **Legacy P&C Partners, Inc.** (<http://legacypcpartners.com>) Carma and Legacy have made MANY improvements in our payroll auditing routine over the years, most noticeably doing away with the necessity of on-site city visits several years ago. Carma works out of Wichita; she and I meet several times a year, and she also keeps in constant contact with us during the payroll auditing 'season' (December through April). We also typically meet with Carma leading up to the renewal season in late summer, just to be sure we are on the same page with any class codes changes, etc.

Summers, Spencer and Company (Topeka, <http://www.sscpcas.net>) is KMIT's longtime financial auditor. **Stuart Bach** has overseen KMIT's audit for many years, and has been personally performing the audit for the last half-dozen years. Stuart presents the audit, *in person*, to our Board every June. We (the Board and I) expect and demand that the auditor be very diligent in pointing out any and every minor deficiency. There is ALWAYS room for improvement. [By regulation, the annual KMIT financial report (audit) must be submitted to the Kansas Insurance Department each May].

KMIT's banking partner is **Commerce Bank, Wichita**. Commerce was chosen by the Board through a rigorous RFP process, culminating in the fall of 2013. We are VERY pleased with what Commerce has done for us. The entire Commerce team last met with the entire KMIT financial team as recently as November 2016, and we stay in very close touch, always. KMIT's Investment Advisor, Greg Nelson, and I talk on the phone probably twenty-five times a year, and meet in-person approximately quarterly. Greg comes to a Board meeting once a year (typically in the spring) to give a presentation, update the Board on KMIT investments and cash-management activities, and the state of the market, and answers any questions the Board has.

Last, but certainly not least, I want to mention our most recent 'permanent' partners, at **ARC PT+** and **Bardavon**. We think these are folks are just the very best at what they do for us. We are delighted that the opportunity came along when it did to initiate a state-wide network, *specifically-designed-for-KMIT*, pre-employment testing program. [See more POET information elsewhere in this publication.] I am the direct contact for the **POET Program**. The ONLY way to find out how to get started is to contact me. I stay in close contact with Bardavon, and meet with them on a fairly regular basis.

Our 'contractors' and business partners were all chosen because we absolutely believe they are THE very best. In everything we do, the goal is to be the best we, collectively, can be. That is our Ongoing Promise to you.



2016 ANNUAL MEETING

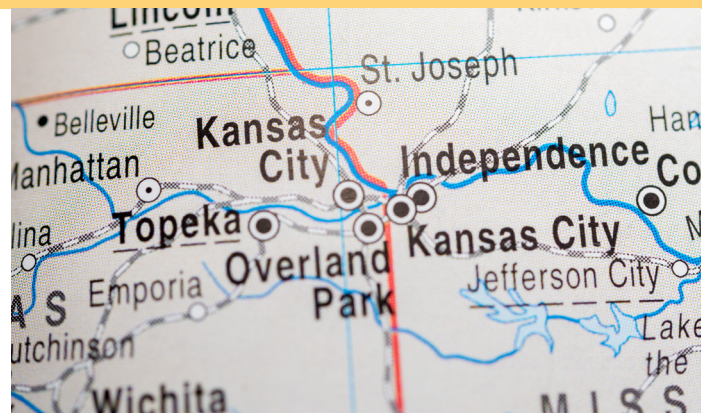
KMIT held its **23rd Annual General Membership Meeting** in Overland Park, on Sunday, October 9, during the LKM Conference. [The first such meeting was in October of 1994.] A total of 120 city officials from fifty-one KMIT member-cities were in attendance.

The 2016 meeting was presided over by **2015-2016 KMIT President Tim Hardy**, of Elkhart.

President Hardy presented the President's Message, in which he commented on the overall KMIT goals of quality service and performance.

Cities honored with special recognition included those which reached the longevity (as KMIT members) milestones of 10- (twelve cities), 15- (thirteen cities), and 20-years (five cities), in 2016, as well as the **102** cities which achieved a **Gold Rating** during this year's Risk Control Assessment--once again setting a new record (beating last year's 98). KMIT's two new members in 2016, **Goessel** and **St. John** were noted, as well.

Pool Administrator Don Osenbaugh gave a brief 'State of The Pool' message, highlighted by announcing the **2016 Extra Effort** award recipients: Wellington, Newton, Moundridge, Clay Center, Bel Aire, Hays, Edwardsville, Scranton, La Cygne, Fort Scott and Andover, each of which was honored for having completed the process of enrolling in the **KMIT POET Program** AND actually having all new hires take the KMIT-designed POET (pre-employment test) prior to starting work for the city (as of September 1, 2016). The above cities were designated as 'The Early POET Joiner' group.



KMIT Board Trustees elected (or re-elected), to serve one or two-year terms (original start year indicated) were:

Position #1: David Dillner (2014), Abilene City Manager [2 years]

Position #3: Tim Hardy (2012), Elkhart City Administrator [2 years]

Position #6: Mike Webb (2016), Edwardsville City Manager [2 years]

Position #7: Kerry Rozman (2014), Clay Center City Clerk [2 years]

Position #8: Keith Schlaegel (2011), Stockton City Manager [2 years]

Position #10: Carey Steier (2016), Pittsburg HR Manager [1 year]

The meeting was concluded by a presentation of the President's Gavel plaque to outgoing President Tim Hardy by former KMIT President Bobby Busch (Neodosha), followed by formal adjournment, followed by continuation of the annual tradition of a drawing for Kansas books and other goodies.

PAYROLL AUDIT PROCESS OVERVIEW

The annual process of auditing the previous year's city payroll starts up again in January (actually with phone calls to cities in December). This is a *normal part of work comp insurance* (with a private insurer or with a self-funded pool, such as KMIT).

KMIT's contracted payroll audit firm is Legacy P&C Partners, Inc. (<http://legacypcpartners.com/>); our longtime auditor, **Carma Drehle-Neth**, will begin preparation by contacting all our member cities in the very near future.

ALL of the KMIT audits are completed by phone, email and fax.

This upcoming audit is to determine your actual **2016 payroll**. The 2016 premium each city paid a year ago was based on estimated payroll for the year. The annual payroll audit is to determine the exact amount of applicable 2016 payroll (adjustments are made by Carma for overtime, vacations and sick leave). Following the audit results, and a KMIT staff re-calculation of the city's 2016 premium (quote), either KMIT or the city will pay the other the difference in actual premium due (your city will get a check or an invoice). That reconciliation will take place sometime around April 1, 2017.

It is quite a task to complete all 156 KMIT-member audits, and get all the final accounting done, but it all **MUST** be done in a couple of months, in order for KMIT to complete the required (by state statute) submission of its annual financials to the Kansas Insurance Department. **Please work with Carma to help KMIT get this important and necessary annual job completed well and on schedule.** Contact Carma or Deanna Furman with any payroll audit questions or issues.



MICHAEL WEBB, ELECTED TO KMIT BOARD



Michael Webb, who has more than 25 years of local government experience, serves as the City Manager for the City of Edwardsville, a position he has held since May 2007. Prior to serving the City of Edwardsville, Webb served as the interim City Administrator/Manager in Osawatomie and DeSoto, KS.

Prior to relocating to the Kansas City area in 2004, Michael served as the Town Manager of Argyle, TX and City Manager of Jacksboro, TX. He holds a Bachelor of Science degree in Emergency Administration & Planning and a Masters of Public Administration in City Management from the University of North Texas. Michael also serves on the board of Midwest Public Risk of Kansas and will be joining the KACM board in 2017.

DEBBIE PRICE CHOSEN AS NEXT KMIT PRESIDENT

At its meeting following the KMIT Annual Meeting in Overland Park on October 9, the KMIT Board of Trustees selected its **President and Executive Committee**. These officers will serve through the next annual meeting, in September 2017.

Chosen as the KMIT President for 2016-2017 was **Debbie Price**, Marysville City Clerk. Debbie has served on the Board since April of 2011.

The new Vice President is **Randy Frazer**, City Administrator/Clerk of Moundridge, who has been a Trustee since May of 2014.

The Treasurer of the Board is now **David Dillner**, City Manager in Abilene, who was first elected to the Board in October 2014.

2015-2016 President **Tim Hardy** (Elkhart City Administrator) stays on the Executive Committee as Immediate Past President. Tim was first appointed to the Board in June of 2012.





Winter 2016

Provided by: Kansas Municipal Insurance Trust

2016 KMIT LOSS PREVENTION CERTIFICATION PROGRAM

Gold-Level Cities



(102 Cities)

Abilene
Altamont
Andale
Andover
Arkansas City
Atchison
Augusta
Baldwin City
Basehor
Bel Aire
Belle Plaine
Belleville
Benton
Bird City
Blue Rapids
Bonner Springs
Brewster
Chapman
Cheney
Clay Center
Clearwater
Conway Springs
Council Grove
De Soto
Douglass
Eastborough

Edgerton
Edwardsville
El Dorado
Elkhart
Ellsworth
Eudora
Florence
Ford
Fort Scott
Fowler
Frankfort
Fredonia
Garden City
Girard
Glasco
Goodland
Grandview Plaza
Great Bend
Halstead
Hamilton
Hays
Haysville
Hiawatha
Hill City
Hillsboro
Hoisington

Independence
Jetmore
Kingman
Kinsley
La Cygne
Larned
Leoti
Lincoln Center
Lindsborg
Logan
Lucas
Maize
Marion
Medicine Lodge
Melvern
Minneapolis
Montezuma
Moundridge
Neodesha
Newton
North Newton
Oberlin
Osage City
Osawatomie
Oswego
Palco

Paola
Parsons
Peabody
Pittsburg
Princeton
Ransom
Roeland Park
Rose Hill
Russell
Satanta
Sedgwick
Sharon Springs
Spring Hill
St. Francis
Stafford
Sterling
Stockton
Tipton
Tonganoxie
Ulysses
Valley Center
Walton
Wellington

Gold-level cities receive a 5% safety discount on next renewal (2017).

Silver-Level Cities



(17 Cities)

Beverly
Cherryvale
Concordia
Esbon
Glen Elder
Grenola

Herington
Johnson City
Lake Quivira
Marysville
Oakley
Reading

Scranton
Smith Center
Spearville
Walton
Wamego

Silver-level cities receive a 3% safety discount on next renewal (2017).

SAFETY CULTURE: SIX FACTORS

According to a study* cited in a Safety Compliance Alert newsletter several years ago, the safest workplaces have established a positive **'Safety Culture'**, and tend to share six common traits:

1. "It **starts at the top**: Corporate [city] leaders demonstrate safety is a value to them;
2. The system **supports the right safety behaviors**;
3. Employees **behave safely consistently**, by their own choice;
4. Employee engagement in **safety is active**; people are encouraged to make valuable contributions;
5. **Conditions allow safe performance**; housekeeping is impeccable, and,
6. People have positive **perceptions of themselves**, their co-workers and the organization; they tend to go beyond the call."

* The study was conducted by Safety Performance Solutions of Blacksburg, VA, and was presented at an annual meeting of the American Society of Safety Engineers (ASSE) by Anne French.

Admire	Elkhart
Allen	Ellsworth
Altamont	Esbon
Andale	Florence
Andover	Ford
Arkansas City	Fort Scott
Atlanta	Fowler
Baldwin City	Frankfort
Basehor	Fredonia
Bel Aire	Galena
Belle Plaine	Glasco
Belleville	Glen Elder
Bennington	Goessel
Benton	Grainfield
Beverly	Grandview Plaza
Bird City	Great Bend
Blue Mound	Greeley
Blue Rapids	Grenola
Brewster	Grinnell
Centralia	Halstead
Chapman	Hamilton
Chautauqua	Hartford
Cherryvale	Herington
Clay Center	Hiawatha
Clearwater	Independence
Columbus	Jetmore
Concordia	Kingman
Conway Springs	Lake Quivira
Council Grove	LKM
Cullison	Lecompton
Damar	Lenora
De Soto	Leoti
Eastborough	Lincoln Center
Edgerton	Lucas
Edwardsville	Maize



Marion	Rose Hill
McFarland	Satanta
Medicine Lodge	Scranton
Melvorn	Sedan
Minneapolis	Sharon Springs
Moline	Smith Center
Montezuma	Spearville
Mound City	Spring Hill
Moundridge	St. Francis
Neosho Rapids	St. John
North Newton	Sterling
Oakley	Stockton
Ogden	Sylvan Grove
Olpe	Tampa
Osawatomie	Tescott
Oskaloosa	Tipton
Oswego	Tonganoxie
Palco	Turon
Paola	Ulysses
Parsons	Valley Center
Princeton	WaKeeney
Ramona	Wakefield
Ransom	Walton
Reading	Wamego
Roeland Park	Wellsville

Safe Cities are as of 12-1-16. If you would like assistance returning an injured employee to work, or need ideas for modified duty, please contact Gene at 1.800.288.6732 or gene.miller@corisksol.com.

KMIT cities are considered Safe Cities if no lost time claims have been reported during the calendar year, beginning 1-1-16.

2016 KMIT SUPERVISOR SEMINAR “WORLD TOUR” REVIEW

The 2016 leg of the KMIT Supervisor Seminar ‘Endless World Tour’ made stops in August and September in four KMIT cities: **Goodland, Garden City, Hoisington, and Wellington.**

These annual trainings provide a rare opportunity for supervisors in our member cities to get information about how to manage a successful work comp program. (And, cities get a bit of credit on their annual risk control scorecard, too.)

A total of **112 supervisors**, who work at all levels of our cities’ organizations, representing **thirty-five of our member cities**, attended one of these three-hour sessions. Guests from four cities who have not yet joined KMIT also benefited from one of the (free) sessions.

Our KMIT Training Troupe ALWAYS thoroughly enjoys this tour, as it gives each of us the chance to meet people we don’t get to see very often, or ever, any other way.

Next year (2017), the tour expands to **SIX CITIES**, and will occur at various times during the year, including the three stops during our traditional September timeframe.

The 2017 sites will be:

Marysville (April 27)

Parsons (June 22)

McPherson (at the new KMU Training, August 24)

Atchison (September 13)

Edgerton (September 14)

Cheney (September 21)

Look for details in upcoming *CompControl* issues and at www.kmit.net, and/or contact KMIT Administrative Manager Deanna Furman, at deanna.furman@corisksol.com.



NOTICE: KMIT MINIMUM PREMIUM IS \$750

About a dozen of KMIT’s smallest member-cities are annually billed for the **MINIMUM PREMIUM** possible with KMIT, which is \$750. If your city received a 2017 invoice for KMIT for \$750, please know that your quote worksheet may not calculate to the minimum premium possible.

2016 EXTRA EFFORT AWARD RECIPIENTS

As mentioned elsewhere in this publication, the **2016 KMIT 'Extra Effort' Award** cities received their trophies and recognition during the KMIT Annual Meeting, in Overland Park, in October.

This special annual honor is given for different reasons each year. This year, eleven member cities (see entire list elsewhere) were given the award due to the fact that they were 'Early Joiners' in KMIT's new **POET Program**.

We learned a lot from these cities who were the first to 'take the plunge' into something fresh, different and exciting. Several of these 'Early Joiner' cities had to, indeed, put a quite a bit of 'Extra Effort' into the development of the new process. That commitment and work certainly also brings tremendous benefit the entire pool. **Thank you.**

The POET (*post offer employment test*) Program involves a specialized physical test for every single job type in each city which joins this **optional** program. The tests are given to each prospective new hire AFTER they have been tentatively offered a position, but BEFORE they are formally hired, depending upon the outcome of the test to see if they are actually physically capable of doing the job for which they have applied.

KMIT's partner in this program is **Bardavon Health Innovations**, (<http://www.bardavon.com>), and the state-wide testing program is administered by a provider 'network' comprised by a group of specifically-qualified individual physical therapy companies, anchored by **ARC Physical Therapy+** (<http://arcpt.com>) of Overland Park, Wichita and Topeka (additional private companies in the network provide POET services to all parts of the state).

There is no monetary cost to KMIT cities for the initial 'setup' (coordination of job descriptions, 'essential functions', etc.), and each city in the program receives a 50% (up to \$75 discount per exam) savings on each test.

Hire The Right Person For The Job!



ANNUAL RENEWAL INVOICES

KMIT mailed out its 2017 Renewal Notices during the first week of December. The notices include a quote, premium-due invoice and certificate of coverage. KMIT invoices are due and payable when received, and are considered past due after January 31. The coverage period begins on January 1, 2017.

Please review your information when you receive it, and contact Deanna Furman, at 785-272-2608 or deanna.furman@corisksol.com, should you notice any irregularities, or have any questions concerning your quote or statement. The best time to resolve issues is as soon as possible.

Be sure to remember:

1. Checks are to be made payable to 'KMIT';
2. Checks **MUST** be mailed in care of KMIT's special lockbox:
KMIT
P.O. Box 541
Shawnee Mission, KS 66201-0541

Please check to see if your vendor/address is current; this address changed a number of years ago, but some checks still seem to get mailed to our 'old' bank.



By the Numbers

KMIT Injury Stats by Department Totals (From 1/1/16 to 12/1/16)

Department	Count	Total Incurred
Administration	30	\$165,252
Airport	1	\$2
Animal Control/Shelter	11	\$51,005
Cemetery	12	\$3,016
Electric	25	\$81,469
Emergency	7	\$84,170
EMS	1	\$1,300
Fire	84	\$191,730
Fire Department	1	\$1,300
Fire/EMS	3	\$4,125
Golf Course	2	\$1,733
Landfill	1	\$2
Library	3	\$2,602
Maintenance	19	\$44,577
Miscellaneous	1	\$238
Municipality	2	\$3
Park	57	\$27,969
Plant	1	\$525
Police	187	\$243,643
Public Works	67	\$154,492
Recycling	3	\$85
Road and Bridge	1	\$409
Sanitation	17	\$18,675
Sewer Plant	1	\$996
Solid Waste	2	\$107
Nursing Home	1	\$676
Street	74	\$378,653
Wastewater	3	\$42,813
Water	55	\$228,819
Zoo	5	\$2,614
Grand Total	677	\$1,733,001

KMIT Nature of Injury Totals (From 1/1/16 to 12/1/16)

Nature of Injury	Count	Total Incurred
Abrasion	38	\$83,478
All Other	31	\$8,300
Cumulative Injuries	2	\$2,000
Occupational Disease	8	\$2,911
Amputation	1	\$1,300
Burn – Chemical	4	\$1,123
Burn – Flash	1	\$238
Burn – Temperature Extremes	6	\$1,531
Concussion	1	\$2,870
Contagious Disease	42	\$12,043
Contusion	95	\$419,873
Crushing	9	\$81,023
Dermatitis	26	\$5,203
Dislocation	1	\$38,500
Electric Shock	1	\$1,614
Foreign Body	19	\$6,134
Fracture	9	\$106,727
Hearing Loss (Traumatic Only)	3	\$573
Heat Prostration	16	\$22,421
Hernia	4	\$32,592
Infection	1	\$11
Inflammation	10	\$47,269
Laceration	75	\$91,749
Puncture	49	\$67,632
Respiratory Disorders (Gases, Fumes)	44	\$53,299
Severance	2	\$274
Sprain	25	\$70,635
Strain	154	\$571,576
Grand Total	677	\$1,733,001

KMIT Balance Sheet (As of 11/30/16)

Assets	
Checking Account	\$819,921
Investments	\$12,949,571
Accrued Interest	\$138,838
Accounts Receivable	\$687
Excess Premium Receivable	\$22,030
Specific Recoverable	\$343,354
Aggregate Recoverable	\$8,559
Prepaid Expenses	\$50,447
Total Assets	\$14,333,407

Liabilities & Equity	
Accounts Payable	\$ –
Excess Premium Payable	\$ –
Reserve for Losses	\$2,861,629
IBNR Reserve	\$4,997,686
Deposits on Premium	\$430,216
Accrued Taxes and Assessments	\$417,646
Total Liabilities	\$8,707,176
Total Equity (NET WORTH)	\$5,626,230
Total Liabilities and Equity	\$14,333,407

FOUR WAYS TO SAFE COMPLETION OF DANGEROUS TASKS

Four ways to make sure employees follow Safety Steps while doing especially dangerous jobs:

1. **EXPLAIN** exactly what you want workers to do and the Safety Steps they'll need to take;
2. **INSPECT** the job site and safety setup before allowing workers to start the task;
3. **OBSERVE** the employees doing the job, and make sure they're following the Safety Steps;
4. **STOP** the job if you catch a worker skipping any of the Safety Steps you discussed before the job got started.

Excerpted (and lightly edited) from 'What you need to know,' Supervisor Safety Bulletin, November 9, 2011.



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Endorsed by

