



Board of Trustees

Board Meeting

May 2, 2014

Garden City, Kansas

City Hall; 301 E. 8th

9:00 AM CDT

BOARD OF TRUSTEES MEETING KANSAS MUNICIPAL INSURANCE TRUST

9:00 AM CDT, Friday, May 2, 2014

‘City Hall’*, Garden City, KS

1. Welcome, Introductions and Call To Order (President Herb Llewellyn)
2. Trustee Absences from Meeting (Llewellyn)
3. Minutes, February 21, 2014—Hillsboro (Llewellyn)
4. Appointment of Trustee—Randy Frazer (Llewellyn)
5. Financial Reports (J. Davis/P. Davis/Osenbaugh)
 - a. February 28, 2014 Financials
 - b. March 31, 2014 Financials
 - c. March 31, 2014 Cash and Investment Summary
6. Reserve Advisory & Settlement Authority (Dipman/Miller)
7. Loss Control Activities (Rhodes)
8. Formal Approval of New Member Cities (Osenbaugh)
 - a. Herington
 - b. Waterville
9. Brief Market Review (Osenbaugh)
10. ARC+ ‘Pilot Project’ Update (Osenbaugh, et al)
11. Staff Report (Osenbaugh, et al)
 - a. Legislative Issues
 - b. Fee Sweeps Lawsuit
 - c. IMA
 - d. Other
12. Other Business
13. Adjourn/Lunch (approximately 12:00 Noon CDT)

*The City Administrative Building is located at 301 E. 8th.)Please park in the lot across the street to the east of City Hall—behind Commerce Bank.)

KANSAS MUNICIPAL INSURANCE TRUST

Board of Trustees Minutes from February 21, 2014

Unapproved

Meeting Convened: Friday, February 21, 2014 in Little Pleasures Coffee Shop, Hillsboro, KS. The meeting was called to order by KMIT President Herb Llewellyn at 9:06 AM (CST).

Members Present: *Board Members Present:* President Llewellyn (El Dorado), Vice President Deb Mootz (Roeland Park), Treasurer Keith Schlaegel (Stockton), Past President Larry Paine (Hillsboro), Debbie Price (Marysville), Tim Hardy (Elkhart), Michelle Stegman (Garden City), Fred Gress (Parsons) [arrived at 9:16], Doug Gerber (Goodland), Kathy Axelson (Rose Hill), and Tim Vandall (Ellsworth). *Staff:* Paul Davis (IMA), Deanna Furman (IMA), Jaci Davis (IMA), Renee Rhodes (IMA), Chris Retter (IMA), Marla Dipman (IMA), Gene Miller (IMA), Jess Cornejo (IMA), and Don Osenbaugh (KMIT Pool Administrator). *Guests:* Kris Dornan (Commerce Bank), Brian Stewart (ARC+) and Michelle Downing (ARC+).

Members Absences From Meeting: None.

Minutes, December 13, 2013 (IMA, Wichita): Motion to approve by Mootz; second by Price. Approved unanimously.

Financial Reports:

- a. December 31, 2013 KID Quarterly Report
- b. December 31, 2013 Financials
- c. January 31, 2014 Financials
- d. January 31, 2014 Cash and Investment Summary

Motion to approve all of the above reports made by Mootz, seconded by Vandall. Approved unanimously.

Reserve Advisory and Settlement Authority: The following claims were presented—

1. (Miller) Claim #2012043451. Previously approved by Pool Administrator, authority to settle in an amount up to \$10,000.
2. (Miller) Claim #2010039591. Reserve increase advisory only.
3. (Miller) Claim #2014047479. Reserve increase advisory only.

Loss Control Activities: Rhodes gave an update of activities and reviewed injury stats.

Administrator Report: Osenbaugh gave a brief ‘market review’, and a report on current work comp legislation in Kansas.

Commerce Bank Presentation: Kris Dornan (Wichita), KMIT’s investment advisor, presented an overview of Commerce and its services. (KMIT started banking with Commerce on October 1, 2013, following an RFP for banking services process during the summer/early fall of 2013.)

[Llewellyn left at 11:00, as he had announced he would at the start of the meeting.]

Investment Policy Revision: The Board approved the proposed update of the KMIT investment policy, which reflects the fact that pools have the same investment guidelines as do private insurance companies, while also acknowledging that KMIT will not risk principal.

ARC+ Presentation: Brian Stewart presented an overview of what ARC+ is and does.

Job Analysis/Pre-Employment Testing ‘Pilot Project’: Osenbaugh, Stewart and Paul Davis overviewed a proposed project that has been being worked up by KMIT and ARC+ over the past few months. The project involves working with an individual city to develop a job analysis for the dozen or so most common jobs (class codes) in the KMIT pool, and then hiring and rehabbing to those physical written job requirements. The KMIT city suggested for this project is Wellington (which has NOT yet been asked). Following a motion by Gerber and a second by Gress, the Board voted unanimously (10-0), to approve the proposed ‘pilot project’, for an amount not exceeding \$10,000.

Nomination/Appointment of New Trustee: This appointment was to fill the soon-to-be vacated position currently held by Gerber, who has announced his resignation from Goodland (and KMIT), to take a position with the City of Topeka. Nomination Committee Chair Schlaegel reported that the Committee had chosen Randy Frazer, City Administrator/Clerk of Moundridge. Acting on behalf of President Llewellyn, Vice President Mootz made the official appointment of Frazer, whose term starts at the point at which Gerber’s resignation is effective, which is likely to be sometime in early April.

Adjournment: The meeting was adjourned at 12:25 pm, following a motion by Paine and a second by Hardy. Unanimously approved.

KANSAS MUNICIPAL INSURANCE TRUST

Board of Trustees Minutes from December 13, 2013

Approved in Hillsboro on February 21, 2014

Meeting Convened: Friday, December 13, 2013 at the IMA offices, in Wichita, KS.
The meeting was called to order by KMIT President Herb Llewellyn at 9:08 AM (CST).

Members Present: *Board Members Present:* President Llewellyn (El Dorado), Vice President Deb Mootz (Roeland Park), Treasurer Keith Schlaegel (Stockton), Past President Larry Paine (Hillsboro), Debbie Price (Marysville), Tim Hardy (Elkhart), Michelle Stegman (Garden City) Fred Gress (Parsons), Doug Gerber (Goodland), Kathy Axelson (Rose Hill), and Tim Vandall (Ellsworth). *Others Present:* Paul Davis (IMA), Ashley Boydstun (IMA), Deanna Furman (IMA), Jaci Davis (IMA), Renee Rhodes (IMA), Chris Retter (IMA), Marla Dipman (IMA), Gene Miller (IMA), Jess Cornejo (IMA), and Don Osenbaugh (KMIT Pool Administrator).

Members Absences From Meeting: None.

Minutes, October 13, 2013 (Overland Park): Motion to approve by Gerber; second by Schlaegel. Approved unanimously.

Financial Reports:

- a. September 30, 2013 KID Quarterly Report
- b. October 31, 2013 Financials
- c. November 30, 2013 Financials
- d. November 30, 2013 Cash and Investment Summary

Motion to approve all of the above reports made by Llewellyn, second by Mootz. Approved unanimously.

Reserve Advisory and Settlement Authority: The following claims were presented—

1. (Miller) Claim #2013046189. Previously approved for settlement by Pool Administrator, in the full/final amount of \$5,415.
2. (Miller) Claim #2013045564. Request to proceed with settlement in the amount of \$15,276 approved unanimously, following a motion by Vandall and a second by Mootz.
3. (Dipman) Claim #2013046189. Requested settlement action to settle, on a running award basis, in the amount of \$18,387.26. Motion by Gerber, second by Mootz. Approved unanimously.

Loss Control Activities: Rhodes presented the report. Refinements are being made to this year's risk review/evaluation form, which will reflect current pool needs.

Formal Notice of Admission of New Member City, Pittsburg—Motion to 'formally accept' Pittsburg as member made by Gress, seconded by Stegman, and unanimously approved. (NOTE: KMIT member cities are added via administrative action, except in some special circumstances. Pittsburg was added by staff.)

Administrator Report: Osenbaugh's report included notifying the board of the final 2014 meeting schedule, of the move to totally-electronic board packets (which was whole-heartedly accepted by the group), and finished with a review of the time period, and accompanying events,

from September 2011 through December 2013, as KMIT planned for and moved from the LKM, during which a number of significant changes/improvements occurred.

Other Business: Discussions on enhancement in training and pre-employment readiness will be at an upcoming meeting.

Adjournment: The meeting was adjourned by acclamation at approximately 12 noon.

KMIT Balance Sheet

As of February 28, 2014

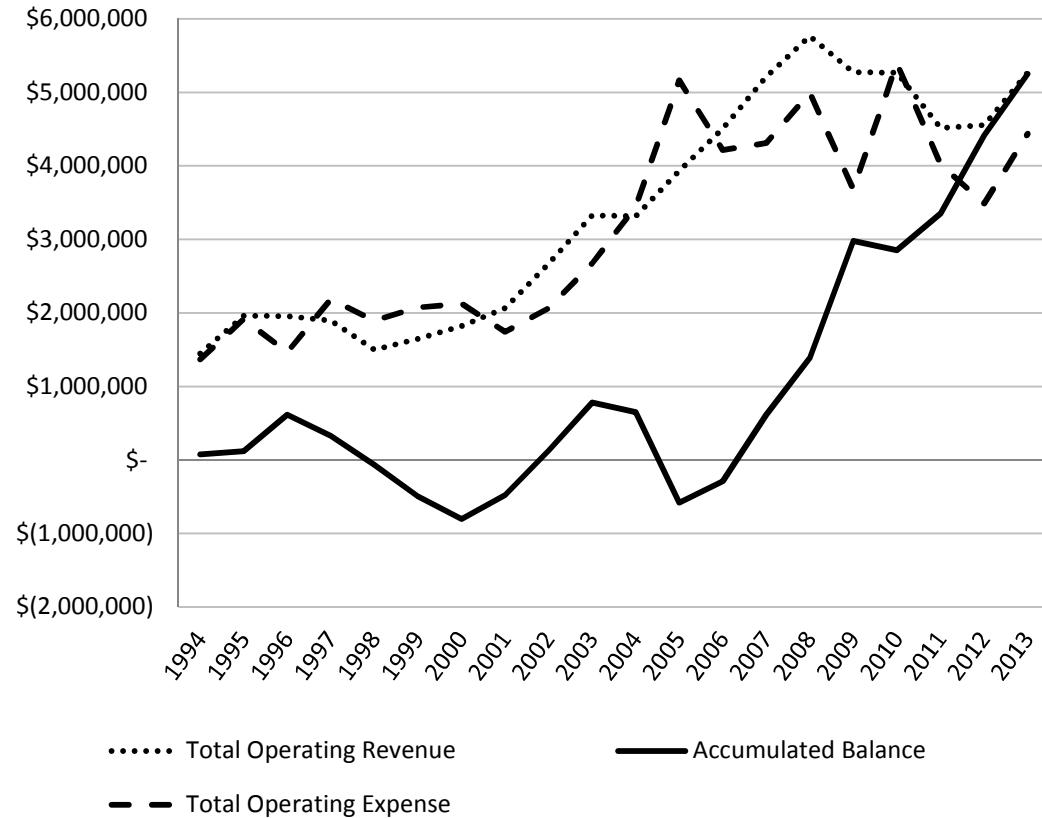
ASSETS

Checking Accounts	\$	7,059,908
Investments	\$	8,911,000
Accrued Interest	\$	16,311
Accounts Receivable	\$	101,490
Excess Premium Receivable	\$	-
Specific Recoverable	\$	358,252
Aggregate Recoverable	\$	85,127
Prepaid Expenses	\$	445,492
Total Assets	\$	16,977,579

LIABILITIES & EQUITY

Accounts Payable	\$	32,598
Excess Premium Payable	\$	-
Reserve for Losses	\$	3,326,228
IBNR Reserve	\$	3,244,298
Deposits on Premium	\$	4,755,290
Accrued Taxes and Assessments	\$	305,102
Total Liabilities	\$	11,663,515
Total Equity		5,314,065
Total Liabilities and Equity	\$	16,977,579

KMIT Financial Overview



KMIT Profit and Loss

As of February 28, 2014

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	Closed	Closed	Closed	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date
REVENUE FUND													
Direct Premium Earned	\$ 1,422,582	\$ 1,885,501	\$ 1,843,047	\$ 1,754,515	\$ 1,377,722	\$ 1,552,110	\$ 1,689,773	\$ 1,965,656	\$ 2,616,641	\$ 3,274,489	\$ 3,256,648	\$ 3,837,793	\$ 4,272,140
Interest Income	\$ 22,675	\$ 76,262	\$ 114,912	\$ 142,705	\$ 116,189	\$ 96,882	\$ 129,613	\$ 101,694	\$ 50,668	\$ 52,492	\$ 59,068	\$ 95,674	\$ 234,986
Miscellaneous Income	\$ -	\$ -	\$ -	\$ -	\$ 4,445	\$ 75	\$ -	\$ -	\$ 2,335	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	\$ 1,445,257	\$ 1,961,763	\$ 1,957,959	\$ 1,897,220	\$ 1,498,356	\$ 1,649,067	\$ 1,819,386	\$ 2,067,350	\$ 2,669,644	\$ 3,326,981	\$ 3,315,716	\$ 3,933,467	\$ 4,507,126
		\$ 390,462											
ADMINISTRATION FUND EXPENSE	\$ 477,137	\$ 601,545	\$ 492,669	\$ 525,127	\$ 486,028	\$ 454,950	\$ 450,222	\$ 437,018	\$ 533,041	\$ 650,302	\$ 732,937	\$ 812,664	\$ 902,673
CLAIMS FUND EXPENSE													
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,015,580	\$ 1,760,747	\$ 1,674,024	\$ 1,432,052	\$ 1,097,087	\$ 1,211,714	\$ 1,874,209	\$ 2,236,916	\$ 3,762,857	\$ 2,562,696
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,305	\$ 82,113	\$ 142,324	\$ 122,098	\$ 83,206	\$ 129,112	\$ 149,296	\$ 145,935	\$ 230,826	\$ 178,511
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ 58,665	\$ 83,728	\$ 64,120	\$ 21,977	\$ -	\$ -	\$ 10,884	\$ 44,503	\$ 183,528	\$ 94,708
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ 1,088	\$ 8,485	\$ 5,378	\$ 4,534	\$ -	\$ -	\$ 1,200	\$ 2,243	\$ 17,361	\$ 5,705
IBNR Reserve Expense	\$ 0	\$ -	\$ 0	\$ -	\$ 1	\$ -	\$ 9,441	\$ 0	\$ 0	\$ 20,810	\$ 61,494	\$ 83,236	\$ 86,842
Excess Work Comp Insurance	\$ 151,393	\$ 210,142	\$ 133,376	\$ 117,122	\$ 79,456	\$ 80,124	\$ 86,819	\$ 127,168	\$ 189,458	\$ 366,991	\$ 221,435	\$ 374,472	\$ 384,425
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ (195,820)	\$ (49,482)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (112,950)	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (410,622)	\$ (168,753)	\$ -	\$ -	\$ -	\$ (400,137)	\$ -	\$ (188,126)	\$ -
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ (61,919)	\$ -	\$ (23,208)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ (291,940)	\$ -	\$ (104,142)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims Fund Expense	\$ 893,634	\$ 1,313,638	\$ 970,007	\$ 1,660,153	\$ 1,408,087	\$ 1,620,386	\$ 1,676,922	\$ 1,307,461	\$ 1,530,284	\$ 2,023,252	\$ 2,712,526	\$ 4,351,204	\$ 3,312,887
Total Operating Expense	\$ 1,370,771	\$ 1,915,183	\$ 1,462,676	\$ 2,185,280	\$ 1,894,115	\$ 2,075,336	\$ 2,127,144	\$ 1,744,479	\$ 2,063,325	\$ 2,673,554	\$ 3,445,463	\$ 5,163,868	\$ 4,215,560
BALANCES													
KMIT Statutory Fund Balance	\$ 74,486	\$ 46,580	\$ 495,283	\$ (288,060)	\$ (395,759)	\$ (426,269)	\$ (307,758)	\$ 322,871	\$ 606,319	\$ 653,427	\$ (129,747)	\$ (1,230,401)	\$ 291,566
Accumulated Balance	\$ 74,486	\$ 121,066	\$ 616,349	\$ 328,289	\$ (67,470)	\$ (493,739)	\$ (801,497)	\$ (478,625)	\$ 127,693	\$ 781,120	\$ 651,373	\$ (579,028)	\$ (287,462)

KMIT Profit and Loss

As of February 28, 2014

	2007	2008	2009	2010	2011	2012	2013	2014	2014	Total
	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Budget	Accrued To Date
REVENUE FUND										
Direct Premium Earned	\$ 4,950,171	\$ 5,519,169	\$ 5,193,427	\$ 5,213,859	\$ 4,442,326	\$ 4,484,533	\$ 5,198,547	\$ 951,058	\$ 5,800,000	\$ 66,701,707
Interest Income	\$ 260,619	\$ 245,802	\$ 79,601	\$ 54,690	\$ 72,925	\$ 70,104	\$ 71,861	\$ 12,695	\$ 72,000	\$ 2,162,114
Miscellaneous Income	\$ 2,405	\$ -	\$ -	\$ -	\$ 1,441	\$ -	\$ -	\$ -	\$ -	\$ 10,701
Total Operating Revenue	\$ 5,213,195	\$ 5,764,971	\$ 5,273,028	\$ 5,268,549	\$ 4,516,692	\$ 4,554,637	\$ 5,270,408	\$ 963,753	\$ 5,872,000	\$ 68,874,523
ADMINISTRATION FUND EXPENSE	\$ 910,565	\$ 949,568	\$ 951,946	\$ 1,029,106	\$ 966,723	\$ 937,415	\$ 945,221	\$ 206,723	\$ 1,023,000	\$ 14,453,580
CLAIMS FUND EXPENSE										
Claims Paid Expense	\$ 2,529,179	\$ 3,050,317	\$ 1,990,788	\$ 3,274,324	\$ 1,970,153	\$ 1,366,756	\$ 901,025	\$ 9,616		\$ 37,276,016
Claims Paid Adjusting Expense	\$ 161,568	\$ 202,249	\$ 125,270	\$ 168,054	\$ 105,774	\$ 72,056	\$ 51,159	\$ 297		\$ 2,366,544
Claims Reserve Expense	\$ 183,457	\$ 205,515	\$ 108,034	\$ 291,594	\$ 592,769	\$ 215,879	\$ 748,621	\$ 153,719		\$ 3,061,700
Claims Reserves Adjusting Expense	\$ 6,458	\$ 17,234	\$ 9,470	\$ 33,117	\$ 27,013	\$ 27,431	\$ 84,984	\$ 12,825		\$ 264,527
IBNR Reserve Expense	\$ 98,643	\$ 195,955	\$ 151,940	\$ 247,202	\$ 18,950	\$ 532,163	\$ 1,290,531	\$ 447,090		\$ 3,244,298
Excess Work Comp Insurance	\$ 420,728	\$ 372,790	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 415,545	\$ 70,325	\$ 425,000	\$ 5,169,640
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (358,252)
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (1,436,387)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (85,127)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (396,081)
Claims Fund Expense	\$ 3,400,033	\$ 4,044,061	\$ 2,727,437	\$ 4,365,666	\$ 3,051,624	\$ 2,551,880	\$ 3,491,864	\$ 693,872	\$ 425,000	\$ 49,106,878
Total Operating Expense	\$ 4,310,598	\$ 4,993,629	\$ 3,679,383	\$ 5,394,772	\$ 4,018,347	\$ 3,489,295	\$ 4,437,085	\$ 900,596	\$ 1,448,000	\$ 63,560,458
BALANCES										
KMIT Statutory Fund Balance	\$ 902,597	\$ 771,342	\$ 1,593,645	\$ (126,223)	\$ 498,345	\$ 1,065,342	\$ 833,322	\$ 63,157	\$ 4,424,000	\$ 5,314,065
Accumulated Balance	\$ 615,136	\$ 1,386,477	\$ 2,980,122	\$ 2,853,899	\$ 3,352,244	\$ 4,417,586	\$ 5,250,908	\$ 5,314,065		

KMIT Admin Expenses

As of February 28, 2014

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	Closed	Closed	Closed	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date
GENERAL EXPENSES														
Agent Commissions	\$ -	\$ -	\$ -	\$ -	\$ 969	\$ 4,919	\$ 5,239	\$ 12,669	\$ 33,803	\$ 44,060	\$ 43,231	\$ 61,486	\$ 75,650	\$ 77,961
Directors and Officers Insurance	\$ -	\$ 489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,367
Meetings/Travel	\$ -	\$ 6,971	\$ 976	\$ 5,318	\$ 1,206	\$ -	\$ 149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingencies/Miscellaneous	\$ -	\$ 8,984	\$ 2,596	\$ 3,913	\$ 5,357	\$ 11,585	\$ 6,020	\$ 18,223	\$ 26,103	\$ 28,939	\$ 41,820	\$ 23,173	\$ 66,332	\$ 33,865
Bank Fees	\$ 1,249	\$ 4,735	\$ 579	\$ 658	\$ 263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write Off	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LKM Clearing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 1,249	\$ 21,179	\$ 4,151	\$ 9,889	\$ 7,795	\$ 16,504	\$ 11,408	\$ 30,892	\$ 59,906	\$ 72,999	\$ 85,051	\$ 84,659	\$ 141,982	\$ 132,193
REGULATORY														
Kansas Insurance Dept (KID) Premium Tax	12,847	18,402	13,177	10,823	13,893	18,215	19,568	18,564	24,377	29,017	30,168	34,004	40,212	46,194
KID Pool Assessment	9,407		5,372	3,470	3,798	1,855	2,693	4,355	3,341	5,983	2,844	3,900		4,300
KID Workers Compensation Assessment	64,034	44,011	25,322	48,345	31,243	14,594	10,372	1,795	7,770	19,748	47,137	91,805	47,193	32,896
KID State Audit														
KDOL Annual Assessment Fee	9,073	15,053	12,410	40,083	34,578	44,639	39,509	30,875	34,311	40,637	51,368	69,032	75,720	74,977
Sub Total	\$ 95,360	\$ 77,466	\$ 56,281	\$ 102,720	\$ 83,511	\$ 79,303	\$ 72,141	\$ 55,589	\$ 69,799	\$ 95,384	\$ 131,518	\$ 198,741	\$ 163,125	\$ 158,366
CONTRACTURAL														
Financial Audit	\$ 4,603	\$ -	\$ 6,639	\$ 32,625	\$ 12,292	\$ 8,288	\$ 10,973	\$ 8,474	\$ 9,600	\$ 9,806	\$ 10,465	\$ 10,264	\$ 33,013	\$ 6,462
Actuarial	\$ -	\$ -	\$ 2,855	\$ 5,000	\$ 25,033	\$ 5,859	\$ 5,703	\$ 7,062	\$ 6,148	\$ 6,272	\$ 7,862	\$ 9,000	\$ 9,991	\$ 12,860
Risk Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ 50,000	\$ 50,000	\$ 60,000
Risk Control	\$ -	\$ -	\$ 82,500	\$ 99,073	\$ 87,000	\$ 80,000	\$ 80,000	\$ 85,000	\$ 92,500	\$ 105,000	\$ 113,000	\$ 120,000	\$ 130,000	\$ 140,000
Claims Adjusting	\$ 298,447	\$ 312,500	\$ 194,842	\$ 105,470	\$ 100,000	\$ 105,000	\$ 110,000	\$ 110,000	\$ 125,000	\$ 135,000	\$ 140,000	\$ 140,000	\$ 150,000	\$ 165,000
Pool Admin Services	\$ 77,478	\$ 190,400	\$ 145,400	\$ 170,350	\$ 170,396	\$ 159,996	\$ 159,996	\$ 140,000	\$ 160,000	\$ 176,000	\$ 193,000	\$ 200,000	\$ 210,000	\$ 220,000
Payroll Audits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,088	\$ 9,840	\$ 12,042	\$ -	\$ 14,562	\$ 15,684
Rating Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Web Hosting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 380,528	\$ 502,900	\$ 432,236	\$ 412,518	\$ 394,721	\$ 359,144	\$ 366,672	\$ 350,536	\$ 403,336	\$ 481,918	\$ 516,368	\$ 529,264	\$ 597,566	\$ 620,006
TOTAL ADMINISTRATIVE EXPENSES	\$ 477,137	\$ 601,545	\$ 492,669	\$ 525,127	\$ 486,028	\$ 454,950	\$ 450,222	\$ 437,018	\$ 533,041	\$ 650,302	\$ 732,937	\$ 812,664	\$ 902,673	\$ 910,565

KMIT Admin Expenses

As of February 28, 2014

	2008	2009	2010	2011	2012	2013	2014	2014	Total
	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Budget	Accrued To Date
GENERAL EXPENSES									
Agent Commissions	\$ 88,532	\$ 94,214	\$ 93,637	\$ 82,860	\$ 96,481	\$ 107,155	\$ 16,114	\$ 95,000	\$ 938,980
Directors and Officers Insurance	\$ 18,542	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 2,659	\$ 18,000	\$ 123,606
Meetings/Travel	\$ -	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 2,620	\$ 16,000	\$ 42,285
Contingencies/Miscellaneous	\$ 26,155	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 1,356	\$ 8,000	\$ 349,902
Bank Fees	\$ 2,638	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 767	\$ 5,000	\$ 40,348
Write Off	\$ -	\$ -	\$ -	\$ (104)	\$ -		\$ -	\$ -	\$ (104)
LKM Clearing	\$ -	\$ -		\$ 60	\$ -		\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ -	\$ -	\$ 891
Office Supplies					\$ 1,112	\$ 1,830	\$ 532	\$ 5,000	\$ 3,474
Sub Total	\$ 135,867	\$ 147,147	\$ 121,475	\$ 107,167	\$ 126,735	\$ 157,146	\$ 24,048	\$ 147,000	\$ 1,499,443
REGULATORY									
Kansas Insurance Dept (KID) Premium Tax	54,139	48,525	49,030	40,919	\$ 43,445	\$ 47,735	\$ -	\$ 48,000	613,254
KID Pool Assessment	3,409	3,476	3,500	3,000	\$ -	\$ -	\$ -	\$ 4,000	64,701
KID Workers Compensation Assessment	32,770	28,363	57,704	65,962	\$ -	\$ -	\$ -	\$ 45,000	671,063
KID State Audit				12,652	\$ -	\$ -	\$ -	\$ -	12,652
KDOL Annual Assessment Fee	83,887	59,460	97,659	38,196	\$ 87,103	\$ 26,221	\$ -	\$ 66,000	964,790
Sub Total	\$ 174,205	\$ 139,824	\$ 207,893	\$ 160,729	\$ 130,548	\$ 73,956	\$ -	\$ 163,000	\$ 2,326,460
CONTRACTURAL									
Financial Audit	\$ 13,127	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ -	\$ 23,000	262,470
Actuarial	\$ 13,000	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ -	\$ 15,000	186,895
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 51,000	\$ 170,000	811,000
Risk Control	\$ 140,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 45,000	\$ 150,000	2,129,073
Claims Adjusting	\$ 165,000	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 55,500	\$ 185,000	3,336,759
Pool Admin Services	\$ 220,000	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 13,000	\$ 78,000	3,591,620
Payroll Audits	\$ 18,370	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ -	\$ 22,000	168,694
Rating Services	\$ -	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ -	\$ -	47,988
Web Hosting	\$ -	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 676	\$ -	5,680
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 17,500	\$ 70,000	87,500
Sub Total	\$ 639,497	\$ 664,975	\$ 699,738	\$ 698,827	\$ 680,133	\$ 714,119	\$ 182,676	\$ 713,000	\$ 10,627,678
TOTAL ADMINISTRATIVE EXPENSES	\$ 949,568	\$ 951,946	\$ 1,029,106	\$ 966,723	\$ 937,415	\$ 945,221	\$ 206,723	\$ 1,023,000	\$ 14,453,580

KMIT Balance Sheet

As of March 31,2014

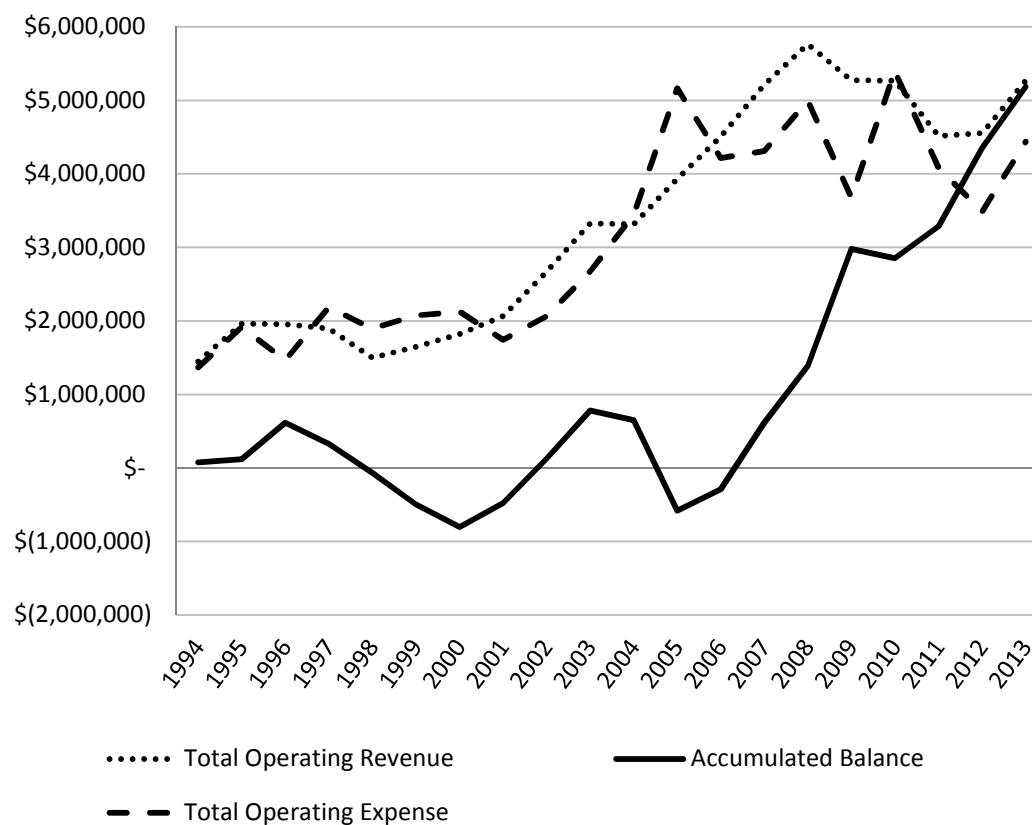
ASSETS

Checking Accounts	\$	3,285,731
Investments	\$	12,468,606
Accrued Interest	\$	151,819
Accounts Receivable	\$	14,666
Excess Premium Receivable	\$	-
Specific Recoverable	\$	352,384
Aggregate Recoverable	\$	85,127
Prepaid Expenses	\$	428,531
Total Assets	\$	16,786,866

LIABILITIES & EQUITY

Accounts Payable	\$	21,158
Excess Premium Payable	\$	-
Reserve for Losses	\$	3,268,078
IBNR Reserve	\$	3,447,673
Deposits on Premium	\$	4,330,226
Accrued Taxes and Assessments	\$	305,102
Total Liabilities	\$	11,372,236
Total Equity		5,414,629
Total Liabilities and Equity	\$	16,786,866

KMIT Financial Overview



KMIT Profit and Loss

As of March 31,2014

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	Closed	Closed	Closed	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date
REVENUE FUND													
Direct Premium Earned	\$ 1,422,582	\$ 1,885,501	\$ 1,843,047	\$ 1,754,515	\$ 1,377,722	\$ 1,552,110	\$ 1,689,773	\$ 1,965,656	\$ 2,616,641	\$ 3,274,489	\$ 3,256,648	\$ 3,837,793	\$ 4,272,140
Interest Income	\$ 22,675	\$ 76,262	\$ 114,912	\$ 142,705	\$ 116,189	\$ 96,882	\$ 129,613	\$ 101,694	\$ 50,668	\$ 52,492	\$ 59,068	\$ 95,674	\$ 234,986
Miscellaneous Income	\$ -	\$ -	\$ -	\$ -	\$ 4,445	\$ 75	\$ -	\$ -	\$ 2,335	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	\$ 1,445,257	\$ 1,961,763	\$ 1,957,959	\$ 1,897,220	\$ 1,498,356	\$ 1,649,067	\$ 1,819,386	\$ 2,067,350	\$ 2,669,644	\$ 3,326,981	\$ 3,315,716	\$ 3,933,467	\$ 4,507,126
		\$ 390,462											
ADMINISTRATION FUND EXPENSE	\$ 477,137	\$ 601,545	\$ 492,669	\$ 525,127	\$ 486,028	\$ 454,950	\$ 450,222	\$ 437,018	\$ 533,041	\$ 650,302	\$ 732,937	\$ 812,664	\$ 902,673
CLAIMS FUND EXPENSE													
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,016,606	\$ 1,764,324	\$ 1,675,301	\$ 1,432,906	\$ 1,097,087	\$ 1,211,714	\$ 1,874,209	\$ 2,238,230	\$ 3,766,216	\$ 2,564,206
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,305	\$ 82,157	\$ 142,341	\$ 122,098	\$ 83,206	\$ 129,112	\$ 149,296	\$ 146,151	\$ 233,941	\$ 178,630
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ 57,639	\$ 80,152	\$ 62,844	\$ 21,977	\$ -	\$ -	\$ 10,884	\$ 43,189	\$ 180,168	\$ 93,198
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ 1,088	\$ 8,440	\$ 5,362	\$ 4,534	\$ -	\$ -	\$ 1,200	\$ 2,027	\$ 14,439	\$ 5,586
IBNR Reserve Expense	\$ 0	\$ -	\$ 0	\$ -	\$ 1	\$ -	\$ 8,588	\$ 0	\$ 0	\$ 20,810	\$ 61,494	\$ 83,043	\$ 86,842
Excess Work Comp Insurance	\$ 151,393	\$ 210,142	\$ 133,376	\$ 117,122	\$ 79,456	\$ 80,124	\$ 86,819	\$ 127,168	\$ 189,458	\$ 366,991	\$ 221,435	\$ 374,472	\$ 384,425
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ (191,065)	\$ (48,369)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (112,950)	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (415,377)	\$ (169,866)	\$ -	\$ -	\$ -	\$ (400,137)	\$ -	\$ (188,126)	\$ -
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ (61,919)	\$ -	\$ (23,208)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ (291,940)	\$ -	\$ (104,142)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims Fund Expense	\$ 893,634	\$ 1,313,638	\$ 970,007	\$ 1,660,153	\$ 1,408,087	\$ 1,620,386	\$ 1,676,922	\$ 1,307,461	\$ 1,530,284	\$ 2,023,252	\$ 2,712,526	\$ 4,351,204	\$ 3,312,887
Total Operating Expense	\$ 1,370,771	\$ 1,915,183	\$ 1,462,676	\$ 2,185,280	\$ 1,894,115	\$ 2,075,336	\$ 2,127,144	\$ 1,744,479	\$ 2,063,325	\$ 2,673,554	\$ 3,445,463	\$ 5,163,868	\$ 4,215,560
BALANCES													
KMIT Statutory Fund Balance	\$ 74,486	\$ 46,580	\$ 495,283	\$ (288,060)	\$ (395,759)	\$ (426,269)	\$ (307,758)	\$ 322,871	\$ 606,319	\$ 653,427	\$ (129,747)	\$ (1,230,401)	\$ 291,566
Accumulated Balance	\$ 74,486	\$ 121,066	\$ 616,349	\$ 328,289	\$ (67,470)	\$ (493,739)	\$ (801,497)	\$ (478,625)	\$ 127,693	\$ 781,120	\$ 651,373	\$ (579,028)	\$ (287,462)

KMIT Profit and Loss

As of March 31,2014

	2007	2008	2009	2010	2011	2012	2013	2014	2014	Total
	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Budget	Accrued To Date
REVENUE FUND										
Direct Premium Earned	\$ 4,950,171	\$ 5,519,169	\$ 5,193,427	\$ 5,213,859	\$ 4,442,326	\$ 4,484,533	\$ 5,198,547	\$ 1,430,613	\$ 5,800,000	\$ 67,181,261
Interest Income	\$ 260,619	\$ 245,802	\$ 79,601	\$ 54,690	\$ 72,925	\$ 70,104	\$ 71,861	\$ 159,192	\$ 72,000	\$ 2,308,612
Miscellaneous Income	\$ 2,405	\$ -	\$ -	\$ -	\$ 1,441	\$ -	\$ -	\$ -	\$ -	\$ 10,701
Total Operating Revenue	\$ 5,213,195	\$ 5,764,971	\$ 5,273,028	\$ 5,268,549	\$ 4,516,692	\$ 4,554,637	\$ 5,270,408	\$ 1,589,805	\$ 5,872,000	\$ 69,500,574
ADMINISTRATION FUND EXPENSE	\$ 910,565	\$ 949,568	\$ 951,946	\$ 1,029,106	\$ 966,723	\$ 937,415	\$ 945,221	\$ 318,768	\$ 1,023,000	\$ 14,565,625
CLAIMS FUND EXPENSE										
Claims Paid Expense	\$ 2,533,513	\$ 3,051,724	\$ 1,994,787	\$ 3,290,988	\$ 1,978,299	\$ 1,372,243	\$ 1,024,232	\$ 40,368		\$ 37,482,929
Claims Paid Adjusting Expense	\$ 161,596	\$ 203,812	\$ 125,279	\$ 169,114	\$ 107,003	\$ 78,957	\$ 59,488	\$ 743		\$ 2,389,619
Claims Reserve Expense	\$ 189,122	\$ 204,108	\$ 104,093	\$ 274,896	\$ 657,158	\$ 188,314	\$ 640,761	\$ 184,245		\$ 2,992,746
Claims Reserves Adjusting Expense	\$ 6,431	\$ 20,671	\$ 9,460	\$ 37,057	\$ 35,639	\$ 27,174	\$ 80,430	\$ 15,792		\$ 275,332
IBNR Reserve Expense	\$ 88,643	\$ 190,955	\$ 151,882	\$ 242,235	\$ -	\$ 547,598	\$ 1,271,408	\$ 694,173		\$ 3,447,673
Excess Work Comp Insurance	\$ 420,728	\$ 372,790	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 415,545	\$ 108,553	\$ 425,000	\$ 5,207,868
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (352,384)
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (1,442,254)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (85,127)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (396,081)
Claims Fund Expense	\$ 3,400,033	\$ 4,044,061	\$ 2,727,437	\$ 4,365,666	\$ 3,115,065	\$ 2,551,880	\$ 3,491,864	\$ 1,043,873	\$ 425,000	\$ 49,520,320
Total Operating Expense	\$ 4,310,598	\$ 4,993,629	\$ 3,679,383	\$ 5,394,772	\$ 4,081,788	\$ 3,489,295	\$ 4,437,085	\$ 1,362,642	\$ 1,448,000	\$ 64,085,945
BALANCES										
KMIT Statutory Fund Balance	\$ 902,597	\$ 771,342	\$ 1,593,645	\$ (126,223)	\$ 434,903	\$ 1,065,342	\$ 833,322	\$ 227,163	\$ 4,424,000	\$ 5,414,629
Accumulated Balance	\$ 615,136	\$ 1,386,477	\$ 2,980,122	\$ 2,853,899	\$ 3,288,803	\$ 4,354,145	\$ 5,187,467	\$ 5,414,630		

KMIT Admin Expenses

As of March 31,2014

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	Closed	Closed	Closed	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date
GENERAL EXPENSES														
Agent Commissions	\$ -	\$ -	\$ -	\$ -	\$ 969	\$ 4,919	\$ 5,239	\$ 12,669	\$ 33,803	\$ 44,060	\$ 43,231	\$ 61,486	\$ 75,650	\$ 77,961
Directors and Officers Insurance	\$ -	\$ 489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,367
Meetings/Travel	\$ -	\$ 6,971	\$ 976	\$ 5,318	\$ 1,206	\$ -	\$ 149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingencies/Miscellaneous	\$ -	\$ 8,984	\$ 2,596	\$ 3,913	\$ 5,357	\$ 11,585	\$ 6,020	\$ 18,223	\$ 26,103	\$ 28,939	\$ 41,820	\$ 23,173	\$ 66,332	\$ 33,865
Bank Fees	\$ 1,249	\$ 4,735	\$ 579	\$ 658	\$ 263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write Off	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LKM Clearing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 1,249	\$ 21,179	\$ 4,151	\$ 9,889	\$ 7,795	\$ 16,504	\$ 11,408	\$ 30,892	\$ 59,906	\$ 72,999	\$ 85,051	\$ 84,659	\$ 141,982	\$ 132,193
REGULATORY														
Kansas Insurance Dept (KID) Premium Tax	12,847	18,402	13,177	10,823	13,893	18,215	19,568	18,564	24,377	29,017	30,168	34,004	40,212	46,194
KID Pool Assessment	9,407		5,372	3,470	3,798	1,855	2,693	4,355	3,341	5,983	2,844	3,900		4,300
KID Workers Compensation Assessment	64,034	44,011	25,322	48,345	31,243	14,594	10,372	1,795	7,770	19,748	47,137	91,805	47,193	32,896
KID State Audit														
KDOL Annual Assessment Fee	9,073	15,053	12,410	40,083	34,578	44,639	39,509	30,875	34,311	40,637	51,368	69,032	75,720	74,977
Sub Total	\$ 95,360	\$ 77,466	\$ 56,281	\$ 102,720	\$ 83,511	\$ 79,303	\$ 72,141	\$ 55,589	\$ 69,799	\$ 95,384	\$ 131,518	\$ 198,741	\$ 163,125	\$ 158,366
CONTRACTURAL														
Financial Audit	\$ 4,603	\$ -	\$ 6,639	\$ 32,625	\$ 12,292	\$ 8,288	\$ 10,973	\$ 8,474	\$ 9,600	\$ 9,806	\$ 10,465	\$ 10,264	\$ 33,013	\$ 6,462
Actuarial	\$ -	\$ -	\$ 2,855	\$ 5,000	\$ 25,033	\$ 5,859	\$ 5,703	\$ 7,062	\$ 6,148	\$ 6,272	\$ 7,862	\$ 9,000	\$ 9,991	\$ 12,860
Risk Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ 50,000	\$ 50,000	\$ 60,000
Risk Control	\$ -	\$ -	\$ 82,500	\$ 99,073	\$ 87,000	\$ 80,000	\$ 80,000	\$ 85,000	\$ 92,500	\$ 105,000	\$ 113,000	\$ 120,000	\$ 130,000	\$ 140,000
Claims Adjusting	\$ 298,447	\$ 312,500	\$ 194,842	\$ 105,470	\$ 100,000	\$ 105,000	\$ 110,000	\$ 110,000	\$ 125,000	\$ 135,000	\$ 140,000	\$ 140,000	\$ 150,000	\$ 165,000
Pool Admin Services	\$ 77,478	\$ 190,400	\$ 145,400	\$ 170,350	\$ 170,396	\$ 159,996	\$ 159,996	\$ 140,000	\$ 160,000	\$ 176,000	\$ 193,000	\$ 200,000	\$ 210,000	\$ 220,000
Payroll Audits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,088	\$ 9,840	\$ 12,042	\$ -	\$ 14,562	\$ 15,684
Rating Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Web Hosting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total	\$ 380,528	\$ 502,900	\$ 432,236	\$ 412,518	\$ 394,721	\$ 359,144	\$ 366,672	\$ 350,536	\$ 403,336	\$ 481,918	\$ 516,368	\$ 529,264	\$ 597,566	\$ 620,006
TOTAL ADMINISTRATIVE EXPENSES	\$ 477,137	\$ 601,545	\$ 492,669	\$ 525,127	\$ 486,028	\$ 454,950	\$ 450,222	\$ 437,018	\$ 533,041	\$ 650,302	\$ 732,937	\$ 812,664	\$ 902,673	\$ 910,565

KMIT Admin Expenses

As of March 31,2014

	2008	2009	2010	2011	2012	2013	2014	2014	Total
	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Budget	Accrued To Date
GENERAL EXPENSES									
Agent Commissions	\$ 88,532	\$ 94,214	\$ 93,637	\$ 82,860	\$ 96,481	\$ 107,155	\$ 24,170	\$ 95,000	\$ 947,037
Directors and Officers Insurance	\$ 18,542	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 3,989	\$ 18,000	\$ 124,936
Meetings/Travel	\$ -	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 3,412	\$ 16,000	\$ 43,077
Contingencies/Miscellaneous	\$ 26,155	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 1,584	\$ 8,000	\$ 350,130
Bank Fees	\$ 2,638	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 1,056	\$ 5,000	\$ 40,638
Write Off	\$ -	\$ -	\$ -	\$ (104)	\$ -		\$ -	\$ -	\$ (104)
LKM Clearing	\$ -	\$ -		\$ 60	\$ -		\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ -	\$ -	\$ 891
Office Supplies					\$ 1,112	\$ 1,830	\$ 532	\$ 5,000	\$ 3,474
Sub Total	\$ 135,867	\$ 147,147	\$ 121,475	\$ 107,167	\$ 126,735	\$ 157,146	\$ 34,743	\$ 147,000	\$ 1,510,138
REGULATORY									
Kansas Insurance Dept (KID) Premium Tax	54,139	48,525	49,030	40,919	\$ 43,445	\$ 47,735	\$ 44,349	\$ 48,000	657,603
KID Pool Assessment	3,409	3,476	3,500	3,000	\$ -	\$ -	\$ -	\$ 4,000	64,701
KID Workers Compensation Assessment	32,770	28,363	57,704	65,962	\$ -	\$ -	\$ -	\$ 45,000	671,063
KID State Audit				12,652	\$ -	\$ -	\$ -	\$ -	12,652
KDOL Annual Assessment Fee	83,887	59,460	97,659	38,196	\$ 87,103	\$ 26,221	\$ -	\$ 66,000	964,790
Sub Total	\$ 174,205	\$ 139,824	\$ 207,893	\$ 160,729	\$ 130,548	\$ 73,956	\$ 44,349	\$ 163,000	\$ 2,370,809
CONTRACTURAL									
Financial Audit	\$ 13,127	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ -	\$ 23,000	262,470
Actuarial	\$ 13,000	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ -	\$ 15,000	186,895
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 68,000	\$ 170,000	828,000
Risk Control	\$ 140,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 60,000	\$ 150,000	2,144,073
Claims Adjusting	\$ 165,000	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 74,000	\$ 185,000	3,355,259
Pool Admin Services	\$ 220,000	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 19,500	\$ 78,000	3,598,120
Payroll Audits	\$ 18,370	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ -	\$ 22,000	168,694
Rating Services	\$ -	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ -	\$ -	47,988
Web Hosting	\$ -	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 676	\$ -	5,680
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 17,500	\$ 70,000	87,500
Sub Total	\$ 639,497	\$ 664,975	\$ 699,738	\$ 698,827	\$ 680,133	\$ 714,119	\$ 239,676	\$ 713,000	\$ 10,684,678
TOTAL ADMINISTRATIVE EXPENSES	\$ 949,568	\$ 951,946	\$ 1,029,106	\$ 966,723	\$ 937,415	\$ 945,221	\$ 318,768	\$ 1,023,000	\$ 14,565,625

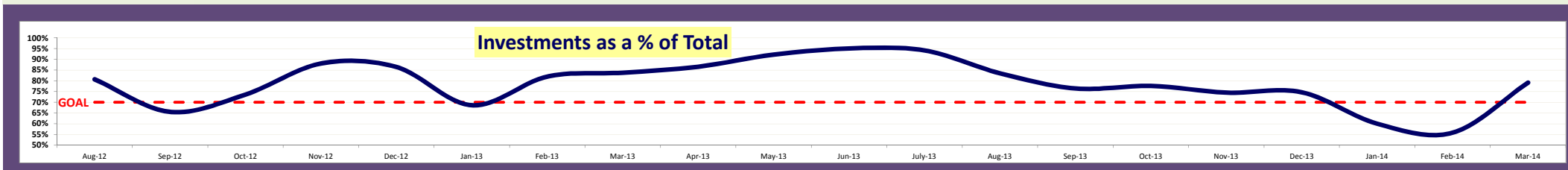
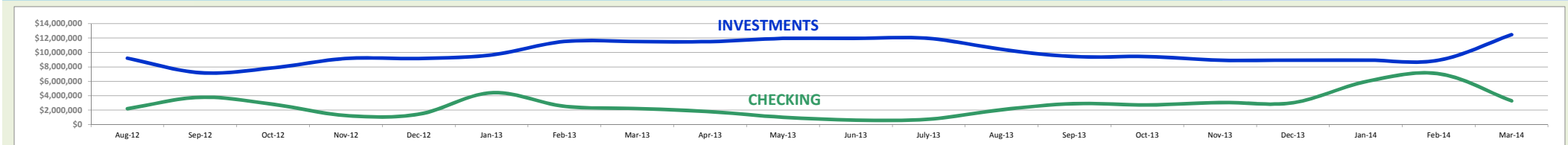
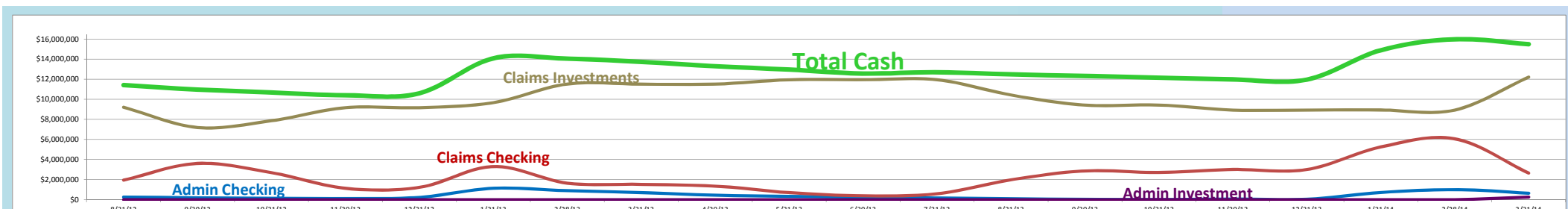
KMIT Cash Management/Investment Summary

August 2012--March 2014

	8/31/12	9/30/12	10/31/12	11/30/12	12/31/12	1/31/13	2/28/13	3/31/13	4/30/13	5/31/13	6/30/13	7/31/13	8/31/13	9/30/13	10/31/13	11/30/13	12/31/13	1/31/14	2/28/14	3/31/14
KMIT Admin Fund (KAF)																				
Admin Account	260,292	175,127	135,098	113,932	222,248	1,124,982	892,406	705,474	441,284	316,444	247,442	160,540	93,382	43,729	11,762	52,047	41,307	708,594	994,516	642,448
Admin Checking	260,292	175,127	135,098	113,932	222,248	1,124,982	892,406	705,474	441,284	316,444	247,442	160,540	93,382	43,729	11,762	52,047	41,307	708,594	994,516	642,448
KMIT Claims Fund (KCF)																				
Claims Account	1,944,815	3,608,036	2,681,579	1,128,031	1,216,285	3,297,065	1,639,426	1,522,434	1,346,285	693,766	375,823	364,230	1,717,905	2,584,008	2,456,695	2,914,234	2,847,832	5,197,983	5,943,655	2,467,405
TPA Claims Check Book (at IMA)	42,928	140,084	146,619	165,255	300,750	94,684	206,604	128,374	119,914	84,936	387,517	216,447	250,357	274,162	251,885	87,755	143,994	51,430	121,939	175,879
Claims Checking	1,944,815	3,608,036	2,681,579	1,128,031	1,216,285	3,297,065	1,639,426	1,522,434	1,346,285	693,766	375,823	580,676	1,968,262	2,858,170	2,708,580	3,001,990	2,991,826	5,249,412	6,065,594	2,643,283

INVESTMENTS

Admin Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	250,000
Claims Investments	9,206,703	7,192,437	7,863,277	9,167,198	9,166,322	9,666,812	11,524,415	11,508,831	11,514,800	11,951,685	11,952,707	11,958,052	10,435,540	9,424,164	9,431,587	8,931,994	8,933,244	8,938,615	8,927,185	12,218,606
TOTAL CASH	11,411,811	10,975,601	10,679,954	10,409,162	10,604,855	14,088,859	14,056,247	13,736,739	13,302,369	12,961,895	12,575,972	12,699,268	12,497,184	12,326,062	12,151,929	11,986,031	11,966,376	14,896,621	15,987,295	15,504,337
	8/31/12	9/30/12	10/31/12	11/30/12	12/31/12	1/31/13	2/28/13	3/31/13	4/30/13	5/31/13	6/30/13	7/31/13	8/31/13	9/30/13	10/31/13	11/30/13	12/31/13	1/31/14	2/28/14	3/31/14





**Client Summary Report
Kansas Municipal Insurance Trust
2014 Policy Year
Services Through December 31, 2014**



Medical Bill Data					Savings					Service Fees			
Month	Bills	Lines	Billed Amount	Recommended Payment	Fee Schedule	PPO Network	Bill Review	Total	Percent of Total Billed	Line Charges	Professional Review	PPO Network	Total
January	305	902	\$ 258,765	\$ 136,267	\$ 92,368	\$ 24,183	\$ 5,947	\$ 122,498	47%	\$ 1,389	\$ 1,033	\$ 2,324	\$ 4,746
February	224	853	\$ 462,701	\$ 217,214	\$ 191,820	\$ 25,546	\$ 28,120	\$ 245,487	53%	\$ 1,365	\$ 911	\$ 3,918	\$ 6,193
March	304	899	\$ 242,674	\$ 120,596	\$ 66,345	\$ 5,232	\$ 50,500	\$ 122,078	50%	\$ 1,437	\$ 928	\$ 1,047	\$ 3,412
April				\$ -				\$ -	#DIV/0!				\$ -
May				\$ -				\$ -	#DIV/0!				\$ -
June				\$ -				\$ -	#DIV/0!				\$ -
July				\$ -				\$ -	#DIV/0!				\$ -
August				\$ -				\$ -	#DIV/0!				\$ -
September				\$ -				\$ -	#DIV/0!				\$ -
October				\$ -				\$ -	#DIV/0!				\$ -
November				\$ -				\$ -	#DIV/0!				\$ -
December				\$ -				\$ -	#DIV/0!				\$ -
Year To Date	833	2654	\$ 964,140	\$ 474,077	\$ 350,534	\$ 54,962	\$ 84,567	\$ 490,062	51%	\$ 4,190	\$ 2,873	\$ 7,288	\$ 14,351

CLAIM SUMMARY-RESERVE INCREASE

Employer: City of Russell
Claim No.: 2014048019
Employee Age: 19
AWW: \$409.74
Attorneys: Employee -No
Adjuster: Miller

Date of Injury: 4/14/2014
Job Description: Electrician
Updated: 4/16/2014
TTD Rate: \$614.61
Employer -No

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$0	\$0	\$0	\$0
New Reserves	\$150,000.00	\$75,000.00	\$10,000.00	\$235,000.00
Amount Paid	\$0	\$0	\$0	\$0
Outstanding	\$150,000.00	\$75,000.00	\$10,000.00	\$235,000.00

Accident Description/Nature of Injury:

- Claimant was in bucket working on a pole change out when he came in contact with energized line. Electrical 3rd & 4th degree burns to both hands.

Investigation/Compensability

- He was in course and scope of employment. No defenses developed. Claim accepted as compensable.

Medical Management

- He was taken to Russell Regional Hospital and then life-flighted to St Francis Hospital in Wichita and is being treated by burn specialist, Dr. Gary Jost.
- Medical Case Manager has been assigned to the case.

Periods of Disability

- He has been off since the injury.

Indemnity

- TTD:
- PPD:

Subrogation/Other Issues

- At this time it appears the accident was due to claimant error but we are continuing to investigate for possible subrogation sources.

Plan of Action:

- I will closely monitor his medical progress thru the medical case manager and his parents. We will strive for early return to work when he is released to same. Administer Kansas workers compensation benefits per statute.

CLAIM SUMMARY-RESERVE INCREASE

Employer: City of Spring Hill

Claim No.: 2013047001

Employee Age: 47

AWW: \$654.40

Attorneys: Employee -No

Adjuster: Miller

Date of Injury: 10/11/2013

Job Description: Street Department

Updated: 4/1/2014

TTD Rate: \$436.27

Employer -No

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$10,000.00	\$10,000.00	\$2,000.00	\$22,000.00
New Reserves	\$25,000.00	\$23,000.00	\$2,000.00	\$50,000.00
Amount Paid	\$4,591.22	\$4,798.97	\$55.17	\$9,445.36
Outstanding	\$20,408.78	\$18,201.03	\$1,944.83	\$40,554.64

Accident Description/Nature of Injury:

- City sponsored company wellness event and claimant playing volleyball when he fractured his right ankle.

Investigation/Compensability

- Numerous co-workers witnessed the accident and the injury not questioned. Medical treatment sought same day.

Medical Management

- Conservative treatment failed to relieve his symptoms and he was referred to orthopedic ankle specialists Dr. Patel. Continued conservative care has not resulted in healed fracture and surgery scheduled 4/21/14 with hardware.

Periods of Disability

10/18/13 to 1/2/2014.

Indemnity

- TTD: Reserves reflect 12 weeks additional for healing following surgery.
- PPD: Reserves reflect 15% to lower leg.

Subrogation/Other Issues

- No source for subrogation or contribution.

Plan of Action:

- I will follow-up with claimant doctor after every doctor's visit and strive for early return to work through modified duty. When he is released from care, a disability rating will be obtained, settlement authority requested, settlement negotiated, Division approval obtained and file closed.

CLAIM SUMMARY-RESERVE INCREASE

Employer: City of Wamego
Claim No.: 98-04451-01
Employee Age: 58
AWW: \$535.11
Attorneys: Employee - No
Adjuster: Miller

Date of Injury: 7/19/1998
Job Description: Water Dept
Updated: 3/11/2014
TTD Rate: \$356.76
Employer -No

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$475,000.00	\$111,805.84	\$22,500.00	\$509,305.84
New Reserves	\$525,000.00	\$111,805.84	\$27,500.00	\$66,536.90
Amount Paid	\$465,100.68	\$111,805.84	\$20,862.42	\$597,768.94
Outstanding	\$59,899.32	\$0	\$6,637.58	\$664,305.84

Accident Description/Nature of Injury:

- Claimant was lifting a trailer tongue to attach to truck and injured his back.

Investigation/Compensability

- The injury was accepted as compensable.

Medical Management

- Dr. Amundson performed his back surgery which included fusion with instrumentation at L4 to sacrum. Recent mylogram reveals degenerative changes, facet hypertrophy and some subluxation. Dr. Amundson recommended surgical repair with decompression and instrumented fusion beginning at L3. Surgery performed 3/9/14.
- Claimant also has a morphine pump installed to aid in controlling his pain. The pump is refilled quarterly and has a life expectancy of approximately 8 years. He has been issued a prescription card which he uses on a monthly basis.

Periods of Disability

- The Indemnity portion of the claim as concluded several years ago.

Subrogation/Other Issues

- There was no source for subrogation. The excess coverage for this claim was with Safety National with \$250,000 limit. We request reimbursement from them on a quarterly basis.

Plan of Action:

- Monitor his medical on a quarterly basis and request reimbursement from the reinsurer.

KMIT Risk Control
2014 Year to Date

Comparison by Year

Year	Severity	Frequency
2005	\$4,194,962.00	769
2006	\$2,841,618.00	765
2007	\$2,895,666.00	906
2008	\$3,480,378.00	766
2009	\$2,233,627.00	655
2010	\$3,822,778.00	666
2011	\$2,777,225.00	633
2012	\$1,665,845.00	594
2013	\$1,866,705.00	696
2014	\$248,061.00	192

2014 by Month

Month	Severity	Frequency
January	\$112,368.00	59
February	\$70,268.00	74
March	\$60,225.00	52
April	\$5,200.00	7
May		
June		
July		
August		
September		
October		
November		
December		
2014 Total	\$248,061.00	192

2014 by Dept

Department	Severity	Frequency
Police	\$53,416.00	58
Street	\$42,847.00	23
Water	\$33,246.00	17
Sanitation	\$32,459.00	10
Fire	\$27,775.00	21
Park	\$16,080.00	14
Maintenance	\$9,155.00	11
Electric	\$7,915.00	10
Administration	\$6,500.00	8
Airport	\$6,300.00	1
Animal Control	\$5,250.00	4
Premiere Surgical Institute	\$3,051.00	3
Miscellaneous	\$2,164.00	4
Cemetery	\$1,300.00	1
Recycling	\$337.00	1
Parks	\$159.00	2
Zoo	\$107.00	2
Emergency	\$0.00	1
Public Works	\$0.00	1

2014 Total

\$248,061.00

192

2014 by Accident Type

Accident Type	Severity	Frequency
Strain or Injury By	\$97,741.00	57
Fall or Slip Injury	\$71,279.00	53
Step/Strike Against	\$17,975.00	5
Cut/Puncture/Scrape By	\$15,271.00	23
Caught in or Between	\$8,909.00	8
Occupational Hazards	\$6,615.00	7
Foreign Body in Eye	\$5,993.00	8
Animal/Insect	\$5,200.00	4
Heat/Cold/Burn/Scald	\$4,162.00	9
Struck or Injured By	\$3,900.00	3
Miscellaneous Causes	\$3,216.00	4
Occupational Hazards:		
Rep. Motion	\$2,600.00	3
Motor Vehicle	\$2,600.00	6
Cut/Puncture/Scrape	\$2,600.00	2

2014 Total

\$248,061.00

192



KMIT

Job Analysis and Functional Testing Project

Presented by ARCPT +

April 2, 2014

Executive Summary and Qualifications

In 2003, ARC Physical Therapy+ began as a physical and occupational therapy company specializing in workers' compensation rehabilitation. We have now grown into a new breed of company – the region's foremost wellness, injury prevention and rehabilitation company – a healthy workforce company. Our rapid growth is a direct result of our commitment to providing innovative treatment methodologies and unparalleled levels of service.

ARCPT+ has established new standards of care in industrial rehabilitation by truly partnering with employers, case managers, and physicians looking for superior health care for their patients and employees. In fulfilling our mission statement to "be a catalyst of change in the market place by redefining excellence in health care" we are committed to offering a continuum of care for your company's most valuable resources – your employees. Our functional employment testing programs have been successfully implemented with employers throughout the region saving companies millions in workers' compensation costs. Hiring employees that demonstrate the ability to meet the specific demands of the job is the hallmark of our program and we are pleased to present this proposal to you.

The Health Care Dilemma

ARCPT+ recognizes that today we are dealing with health care issues never before addressed by employers. In the midst of the national health care conversation, local employers are looking for leaders to provide solutions to their concerns, to address their health care issues, and to minimize the burden to their already overloaded HR staff. Creative solutions are the result of investment in innovation and technology.

In 10 short years, through innovation in business practices, products and services, together with our talented employees – we have grown to be the leader in our market, our industry, and our community. Our tremendous growth these past 10 years is the direct result of leadership and innovation – the same success that **earned us the coveted Mr. K. Small Business of the Year Award in 2010, Champions of Business and Healthiest Employer in 2011, 2012, and 2013, and Best Places to Work in 2012.**

Nationally, our industry has recognized ARC's leadership and leading edge technology, outcomes reporting process and strategies that successfully pair wellness with workers' comp services to save employers millions. We spoke at the 2012 and 2013 National Conference for the American Society of Safety Engineers and have been requested to submit a proposal to speak at the 2013 National Workers' Compensation Conference.

As others recognize ARC's innovation, our opportunities have increased incrementally. In June, 2011, our unique wellness product led Senator Claire McCaskill's office to hand-deliver to ARCPT+ an RFP from the Centers for Disease Control's National Wellness Initiative. We were one of three finalists in the US and we were asked to bid again when the RFP came up for renewal. Additionally in 12 short months, ARC's wellness product, *RedefineWellness*, went from a beta launch to covering wellness services and healthy lifestyle counseling for hundreds of employees in **18 states**.

The Problem

- ❖ *Decreased worker capacity:* 10% of the workforce are not physically capable of meeting their job demands.
- ❖ *Increased health care costs:* 75% of the costs associated with work place injuries occur from hiring candidates not capable of meeting the essential functions of the job.

The Solution – Functional Employment Testing

- ❖ MODOT implemented testing in 2005 and saw a 69% reduction in lost workdays the first year, a 49% reduction the second year and have saved millions in workers comp costs since then.
- ❖ KDOT implemented post offer testing in 2009. That same year, claims costs exceeded \$360,000 but in 2010 claims costs totaled only \$75,000. A savings of more than \$285,000 in one year.

A proven strategy to reduce costs and match employees to the physical demands of the job, post offer employment testing will:

- ❖ Significantly reduce workplace injury incidence.
- ❖ Reduce workplace injury costs.
- ❖ Reduce lost time.
- ❖ Create accountability for employees & treating providers.

Service Agreement for KMIT

ARC agrees to provide the following services for the KMIT group:

1. Job Analysis services for up to 15 positions to be utilized by member organizations to develop post offer functional employment testing programs. Key positions identified in the attached addendum. Each individual entity will be responsible for test fees.
2. KMIT has identified the City of Wellington Kansas as the pilot organization for job analysis development.
3. ARC will provide the job analysis for each participating member and assist the injury management team with utilizing the job analysis report for modified duty opportunities to reduce lost time claims.
4. ARC will develop testing criteria for each position to include a validation process (testing of incumbent workers) for each member entity wishing to utilize the Functional Employment Test in their hiring process.
5. ARC will provide annual testing reports to monitor "capable" and "not capable" rates, provide comparisons to national averages and provide a summary return on investment report.
6. ARC will be the designated provider for the KMIT group for all physical therapy, occupational therapy and other work related therapies for all required workers' comp care unless undue hardship would occur due to travel distances.

Employment Testing Services

Job analysis assessment and review to include validation and test development.	\$150/hr Not to exceed \$10,000	Test development, validation and implementation with recommendations for specific job classification testing procedures.
Post offer employment test pricing for KMIT members	\$150.00	All tests scheduled within 48 hours of notification with results reported within 24 hours of test. Results to include "Capable", "Not Capable" or Incomplete report.
Fit for duty test pricing for KMIT members	\$100.00	All tests scheduled within 48 hours of notification with results reported within 24 hours of test. Provider to assist employer to engage in an appropriate dialogue to determine the ability to accommodate restrictions if needed.
No Show Fee	\$75.00	Without 24 hour notice.

Review of Services:

ARCPT+ and Job Analysis

Job Analysis (JA) is the first and most critical step of a comprehensive injury management program. The (JA) is the cornerstone for determining the essential functions of the work and for developing testing to determine the physical capabilities of your workforce. It also offers an opportunity to identify potential hazards in the work place that could be re-engineered to reduce the risk for injuries. JA also offers objective support that can be crucial in answering any ADAAA, EEOC or FMLA claims. By identifying the essential functions of the job, medical providers are better able to determine if a claimant can return to work following work related injuries or an FMLA leave of absence. It also provides protection to employers in cases of a claim of disability by having the essential functions clearly defined. Finally, completing the JA project can also be a tangible example from the leadership to the workforce of your commitment to developing a more safety-conscious culture.

Post Offer Functional Employment Testing Components

1. Detailed Medical Questionnaire used to identify any unresolved medical issues that would need medical clearance prior to conducting physical testing.
2. Thorough Musculoskeletal Assessment completed by a licensed health care provider to determine baseline function and identify pre-existing conditions.
3. Dynamic lifting to qualify each candidate to complete the job specific tasks.
4. Job specific/job simulation physical testing.

Outcomes Reporting and Consulting Services

1. ARC will provide test results and outcomes reporting annually to ensure that testing procedures and results are meeting the needs of KMIT.
2. Report will include total number of tests performed, "not capable" results, reasons for "not capable" results, monetary values assigned for "not capable" results to indicate potential cost savings by not hiring the candidate, and gender of testing candidates to analyze for an potential disparate impact claims.

The Onsite Services Team

Leslie Borden, MS, ATC, Employer Resource Manager

Leslie assists companies in implementing comprehensive injury management tools offered by ARC, providing service information to employers promoting a healthier workforce, including Post Offer Employment Testing, job analysis, ARCPT+ clinical information and Onsite services. Leslie responds to RFP's, prepares return on investment reports and serves as the account manager for Onsite Service clients. Prior to joining ARCPT+, Leslie served as work conditioning coordinator, FCE specialist, and sports medicine director.



Mary Peters, PT, MPH, CEA, Director of Onsite Services

Mary has more than 25 years of experience in physical therapy. She has worked in a variety of settings and specializes in industrial rehabilitation and orthopedic injuries as they relate to the injured worker. A Certified Ergonomic Associate (CEA), Board of Certification in Professional Ergonomics, Mary has extensive experience in onsite job analysis, functional capacity evaluation, ergonomic assessments, risk factors analysis and development of Post Offer Employment Testing. Mary is McKenzie Part A, B and C trained.

The above fees and protocol are approved by:

Don Osenbaugh
KMIT Representative Signature

Pool Administrator 4/2/14
Job Title/ Date

Kim Sturt
ARC Physical Therapy+ Signature

CMD 4/2/14
Job Title/ Date

Summary

Studies have shown that implementing an injury prevention program at your work place results in decreased workers' compensation costs, decreased employee turnover rates and an average savings of \$30 for every \$1 invested in the program.

For additional information please contact:

Leslie Borden
Employer Resource Manager
ARC Physical Therapy +
lborden@arcpt.com
913-831-2721

Exhibit A:

Key Positions for KMIT members

- 1) Police
- 2) Fire (typically volunteer)
- 3) Clerical
- 4) Parks/Cemetery- Maintaining green space- mowing, tree trimming, weed-eating (often seasonal)
- 5) Sanitation- Waste Haulers- Garbage removal, truck cleaning, etc.
- 6) Ambulance/EMS/Fire- Could be volunteers- Back injuries
- 7) Not otherwise classified (example- have a nursing home in one city)

Streets and Road constructions- Repairs

- 8) Equipment Operator
- 9) Laborer

Water Works

- 10) Distribution- repairing pipes, meter reading, install meters, lifting covers, uneven surfaces
- 11) Treatment- Full plant operations to adding chlorine

Electric

- 12) Plants/Generators- physical operations- engine mechanics
- 13) Distribution- line maintenance

Waste Water

- 14) Plant/Operations
- 15) Distribution- Collections- working on lift stations (waste water is gravity fed)- maintenance on pumps

Legislative Bulletin

Kansas Self-Insurers Association

No. 12 – April 9, 2014

825 S Kansas Ave., Fifth Floor ✦ Topeka, KS 66612 ✦ (785) 234-8773 ✦ Fax (785) 233-2206 ✦ scott@ksia.org

The Legislature has now gone on first adjournment, which means most of their work is complete. They will take a three week break and come back to wrap up a few loose ends in early May. For workers compensation issues, this is almost certainly the end of activity. There was no significant activity on workers compensation issues in the hectic last week of the session. Should that change when they come back in early May for any reason, we will keep you apprised. If not, this will serve as the last legislative bulletin of the 2014 session.

Thanks to all of you that have kept in touch with your Senators and Representatives about workers compensation issues, and we hope to see you all at the KSIA Annual Conference. This will be our 20th year, you won't want to miss it!

Bill Number and Sponsor	Bill Subject	Current Status	Last Action
SB 73 Senate Commerce Committee	Workers compensation: administrative duties of secretary of health and environment; citizenship status; administrative judge disqualification; limitation of actions; workplace health and safety program	Stricken from Calendar in House	04/02/2013 - House Stricken from Calendar, House Rule 1507
SB 109 Senate Federal and State Affairs Committee	Lobbying; use of public funds prohibited	In Senate Ethics and Elections	02/08/2013 - Senate Scheduled Hearing in Ethics, Elections and Local Government: Monday, 2/11/2013, 9:30 AM, Rm 159-S
SB 187 Senate Commerce Committee	Establishing the workers compensation and employment security boards nominating committee; administrative law judge appointment; workers compensation appeals board	Approved by Governor	04/16/2013 Approved by Governor Sam Brownback
SB 322 Senate Financial Institutions and Insurance Committee	Insurance department service regulation fund; amount of assessment	In Senate Financial Institutions and Insurance	01/30/2014 - Senate Referred to Financial Institutions and Insurance
SB 398 Senate Commerce Committee	Enacting the public service protection act	In Senate Commerce	02/19/2014 - Senate Scheduled Final Action in Commerce: Tuesday, 2/25/2014, 8:30 AM, Rm 548-S
S Sub for HB 2023 House Commerce, Labor and Economic DevSenate Commerce	Enacting the public service benefits protection act	Pending action by Governor	04/01/2014 - House Enrolled and presented to the Governor

Committee on Development Committee			
Sub for HB 2105 House Commerce, Labor and Economic Development Committee	Employment security law	Approved by Governor	04/16/2013 Approved by Governor Sam Brownback
HB 2565 House Corrections and Juvenile Justice Committee	Authorizes use of correctional industries funds for payment of workers compensation insurance	Stricken from Calendar in House	03/05/2014 - House Stricken from Calendar by Rule 1507
Sub for HB 2615 House Commerce, Labor and Economic Development Committee	Workers compensation assigned risk pool	In Senate Commerce	04/01/2014 - Senate Referred to Commerce
S Sub for HB 2616 House Commerce, Labor and Economic Development Committee	Secretary of labor directed to study state enforcement of OSHA standards	In Conference Committee	04/02/2014 - Senate Acceded; appointed Lynn, Wagle and Holland
S Sub for HB 2616 House Commerce, Labor and Economic Development Committee	Secretary of labor directed to study state enforcement of OSHA standards	In Conference Committee	04/02/2014 - Senate Acceded; appointed Lynn, Wagle and Holland
HB 2619 House Commerce, Labor and Economic Development Committee	Workers compensation; selection of examining health care provider	In House Commerce, Labor and Economic Development	02/12/2014 - House Referred to Commerce, Labor and Economic Development
HB 2640 House Commerce, Labor and Economic Development Committee	Workers compensation insurance experience ratings	In House Commerce, Labor and Economic Development	03/10/2014 - House Withdrawn from Taxation; rereferred to Commerce, Labor and Economic Development