



Board of Trustees

Board Meeting December 12, 2014 Wichita, Kansas

Wichita State University-Rhatigan Student Center
Spencer Room #264
1845 Fairmount St.
9:00 AM (CDT)

BOARD OF TRUSTEES MEETING KANSAS MUNICIPAL INSURANCE TRUST

9:00 AM CST, Friday, December 12, 2014

Wichita State University*, Wichita, KS

1. Welcome, Introductions and Call To Order (President Keith Schlaegel)
2. Welcoming Remarks—Dr. Nancy McCarthy Snyder (Director, Hugo Wall School, WSU)
3. Trustee Absences from Meeting (Schlaegel)
4. Minutes: [1] October 12, 2014—Wichita; [2] November 13, 2014—IMA/Phone (Schlaegel)
5. Financial Reports (J. Davis/P. Davis/Osenbaugh)
 - a. September 30, 2014 KID Quarterly Report
 - b. October 31, 2014 Financials
 - c. November 30, 2014 Financials
 - d. November 30, 2014 Cash and Investment Summary
6. Reserve Advisory & Settlement Authority (Miller)
7. Loss Control Activities (Rhodes)
8. Excess Coverage Renewal (Cornejo/P. Davis)
9. Errors and Omissions (D&O) Insurance Renewal (Cornejo)
10. Review of 2015 Pool Pricing (Osenbaugh/P. Davis, et al)
11. Job Analysis Project—Program Implementation (Osenbaugh)
12. Approval of 2015 Administrative Budget (Osenbaugh)
13. ‘State of the Pool’—Some Historical Perspective (Osenbaugh)
14. Administrator’s Report (Osenbaugh)
15. Other Business
16. Adjourn (approximately 12:00 Noon CST)

Gift Exchange and Lunch

*Student Union

KANSAS MUNICIPAL INSURANCE TRUST

Board of Trustees Minutes from October 12, 2014

Unapproved

Meeting Convened: Sunday October 12, 2014 in the Hyatt Hotel, Wichita, KS. The meeting was called to order by outgoing KMIT President Herb Llewellyn at 5:12 PM (CDT)..

Members Present: *Board Members Present:* President Llewellyn, Treasurer Keith Schlaegel (Stockton), Immediate Past President Larry Paine (Hillsboro), Debbie Price (Marysville), Tim Hardy (Elkhart), Michelle Stegman (Garden City), Tim Vandall (Ellsworth), Megan Fry (Pittsburg) and Randy Frazer (Moundridge). *Incoming Board Members:* Kerry Rozman (Clay Center), Nathan McCommon (Tonganoxie) and David Dillner (Abilene). *Staff:* Paul Davis (IMA), Jaci Davis (IMA), Renee Rhodes (IMA), Gene Miller (IMA), Deanna Furman (IMA) and Don Osenbaugh (KMIT Pool Administrator). *Guests:* None.

Members Absences From Meeting: Incoming Trustee Ty Lasher (Bel Aire).

OLD Business

Minutes, August 22, 2014 (Marysville): Schlaegel moved to approve as written; second by Fry. Unanimous.

Financial Reports:

- a. August 31, 2014 Financials
- b. September 30, 2014 Financials
- c. September 30, 2014 Cash Summary

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

Reserve Advisory and Settlement Authority: None

New Business

Seating of Newly-Elected Trustees: Acting Chair Schlaegel welcomed the new Trustees-- Rozman, McCommon and Dillner (Lasher absent).

Election of 2014-2015 Officers:

- a. President. Hardy nominated Schlaegel; Price seconded. Approved unanimously. Schlaegel becomes President.
- b. Vice President. Vandall nominated Hardy; seconded by Price. Approved unanimously. Hardy becomes Vice President.
- c. Treasurer. Price nominated by Hardy; seconded by Vandall. Approved unanimously. Price becomes Treasurer.

There will be no Immediate Past President on the Executive Committee this year, as there are no qualified candidates.

Adjournment: Motion made by Dillner to adjourn; seconded by Rozman. Approved unanimously. The meeting was adjourned at 5:53.

KANSAS MUNICIPAL INSURANCE TRUST

Board of Trustees Minutes from November 13, 2014

Unapproved

Meeting Convened: Thursday, November 13, 2014 at the IMA Office (Wichita) and by phone conference. The meeting was called to order by KMIT President Keith Schlaegel at 12:03 PM (CST). A voice roll call indicated that a quorum of Board Members was present (9 of 11).

Members Present: *Board Members Present in Wichita:* Present Keith Schlaegel (Stockton), Randy Frazer (Moundridge), Ty Lasher (Bel Aire) and David Dillner (Abilene). *Board Members Present via telephone conference hookup:* Vice President Tim Hardy (Elkhart), Treasurer Debbie Price (Marysville), Michelle Stegman (Garden City), Megan Fry (Pittsburg) and Nathan McCommon (Tonganoxie). *Staff Present:* Paul Davis (IMA), Jaci Davis (IMA), Jess Cornejo (IMA), Deanna Furman (IMA—via phone) and Don Osenbaugh (KMIT Pool Administrator). *Guests:* None.

Members Absences From Meeting: Tim Vandall (Ellsworth) and Kerry Rozman (Clay Center).

The Sole Purpose of the Special Meeting was to revisit the August 22, 2014 Board decision as to the LCM for 2015, following word that the KID intends to lower state (class code) rates by an *overall average* of approximately 10%.

In August (at Marysville), the Board of Trustees made its annual review of the data and circumstances which lead to determining the KMIT's operational (filed) rate (or LCM) for the upcoming policy year (in this case, 2015). At that meeting, the Board voted to leave the rate the same as in 2014—1.40, which meant that an 'underwriting excess' ('profit') of 4% (or about \$250,000) was being projected for 2015.

At this Special Meeting, staff (Cornejo, P. Davis and Osenbaugh) showed charts depicting, and lead a discussion, as to how the significant decrease in state rates would likely affect the KMIT pool.

Several scenarios were presented for consideration by the Board, including:

1. 'Scenario A'—Leave the LCM at 1.40. The projected result would be a net decrease in annual excess of approximately 8%, or approximately as much as \$700,000 net 'loss', *as compared to the value projected in August*;
2. 'Scenario B'—Raise the LCM to 1.496. This rate would be project to result in zero excess; in other words, a 'break even' year, or about \$250,000 less 'profit' than Scenario A;
3. 'Scenario C'—Raise the LCM to 1.556, which would likely keep the original (August) 4% underwriting gain.

ACTION: Following a discussion, Price made the motion to price the pool to a final margin of the 4% underwriting gain, and let the final (filed) LCM move to the number needed to fund the 4% margin (very similar to Scenario C). The LCM will almost certainly not be exactly as projected in 'C', and could be higher or lower. Second by Dillner. The Board approved the motion by a vote of 8-1, with Hardy opposing.

Adjournment: Motion made by Dillner to adjourn; seconded by Fraser. Approved unanimously. The meeting was adjourned at 12:53.

**BOARD OF TRUSTEES
SPECIAL MEETING
KANSAS MUNICIPAL INSURANCE TRUST**

**12:00 Noon (CST), Thursday, November 13, 2014
IMA, Wichita (and via phone conference)**

1. Welcome, Introductions and Call To Order (President Keith Schlaegel)
2. Roll Call of Members Present, both at IMA and via Phone (Schlaegel)
3. Review of Current LCM Variables (Staff)
4. Action to Adjust , or Not Adjust, 2015 LCM (Schlaegel)
5. Adjourn (approximately 1:00 PM)

1203



2015 KMIT Loss Cost Multiplier: Impact of New State Rates

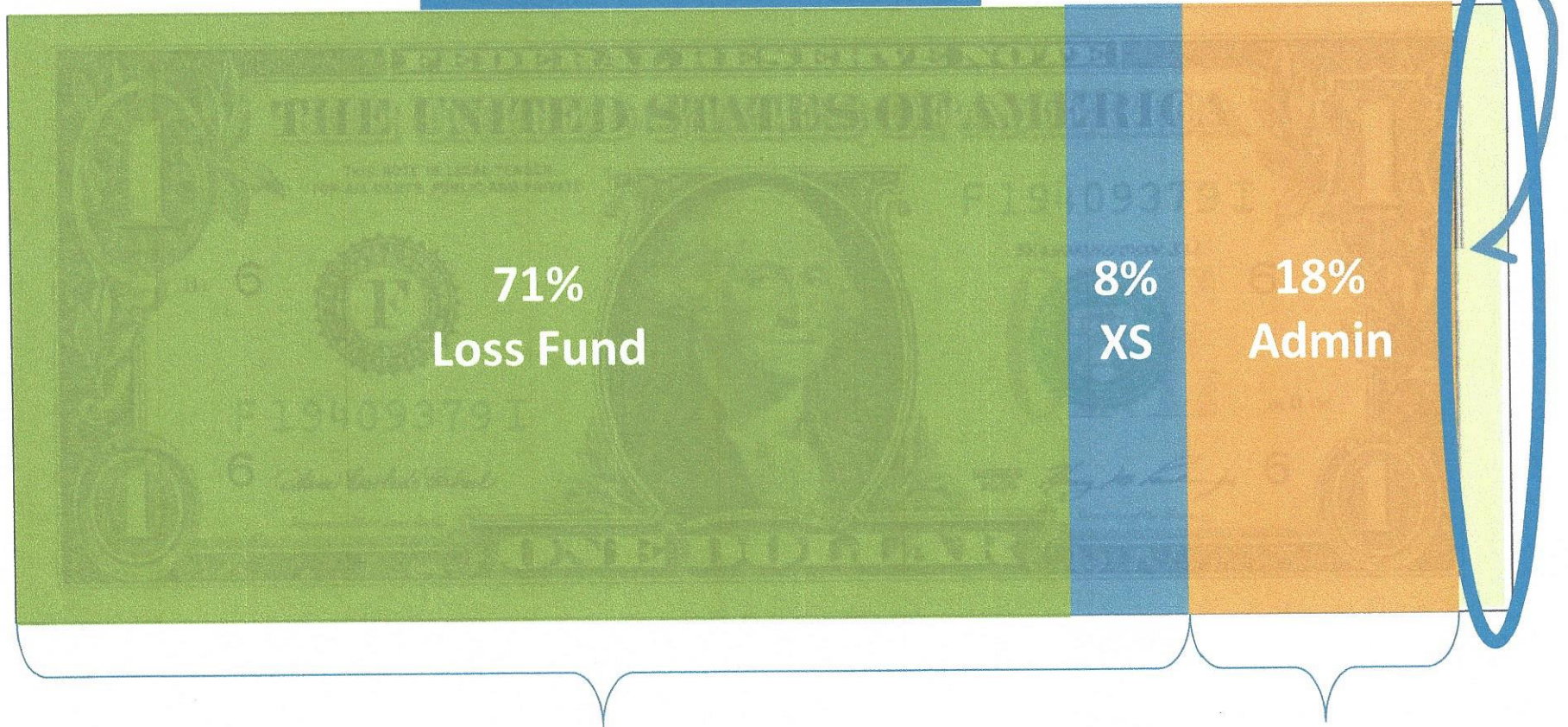
KMIT Special Board Meeting
November 13th, 2014

ORIGINAL LCM ANALYSIS

0% Rate Increase, 0% LCM Increase (LCM = 1.40)



4 % Premium Gain
Total Premium Rate: \$2.91
Premium Need Rate: \$2.80

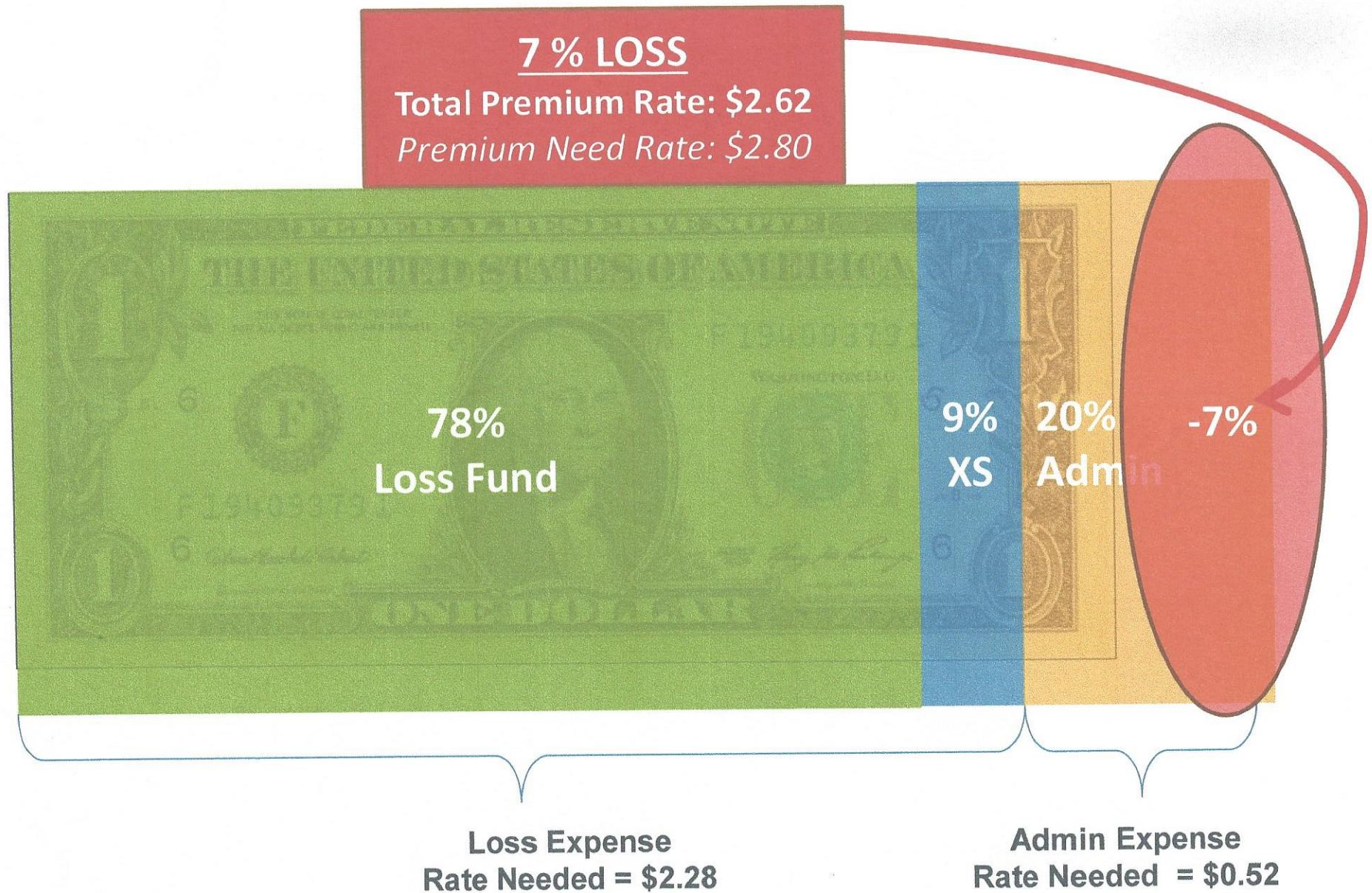


Loss Expense Rate = \$2.28

Admin Expense Rate = \$0.52

SCENARIO A:

10% Rate Decrease & Same LCM(LCM = 1.40)

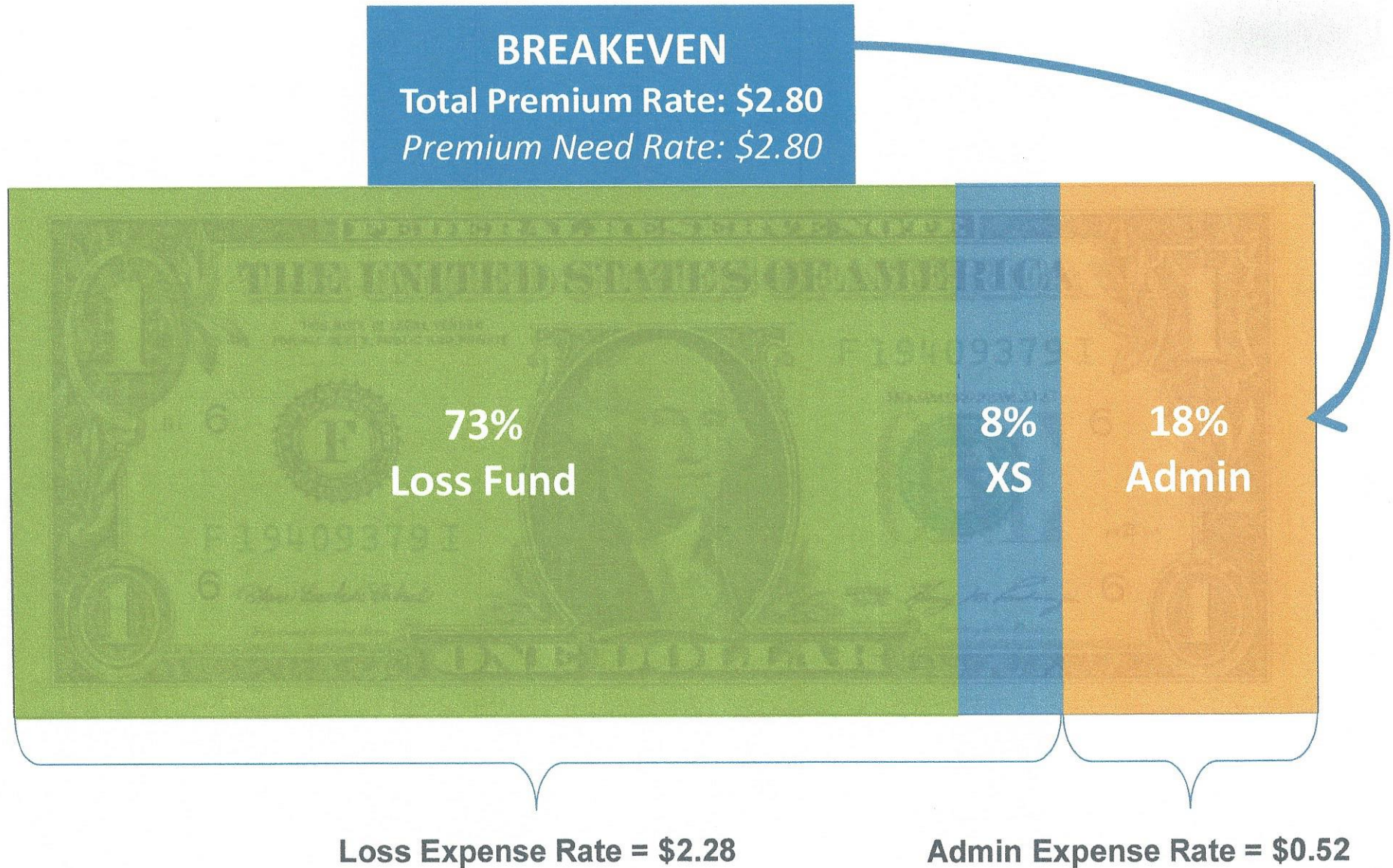


SCENARIO B:

10% Rate Decrease & NEW LCM to Reach Breakeven (LCM = 1.496)

KMIT

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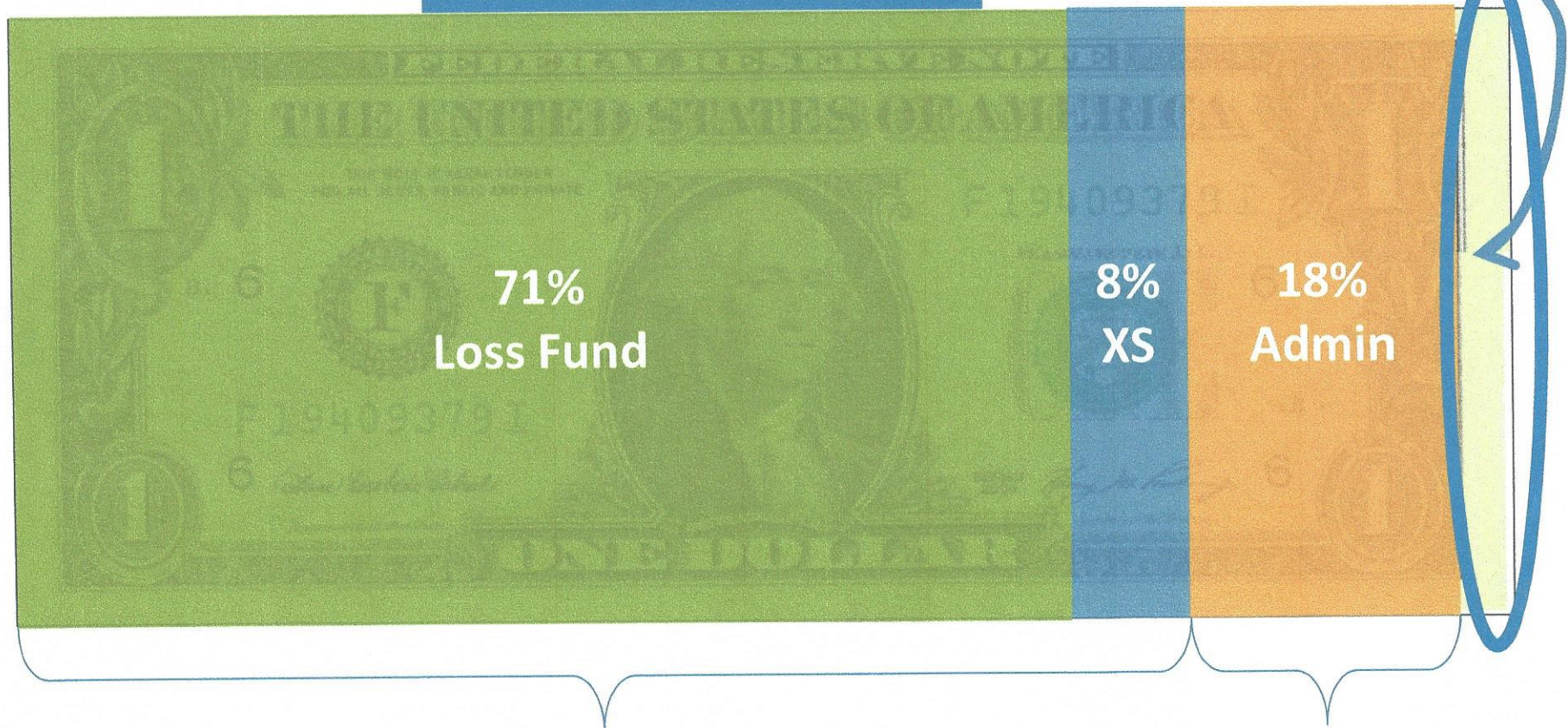


SCENARIO C:

10% Rate Decrease & NEW LCM to Reach 4% Gain (LCM = 1.556)



4 % Premium Gain
Total Premium Rate: \$2.91
Premium Need Rate: \$2.80



Loss Expense Rate = \$2.28

Admin Expense Rate = \$0.52

PREMIUM NEED RATE: COMPARISON SCENARIOS



TOTAL PREMIUM RATE NEEDED = \$2.80

Loss Fund \$2.05	Excess \$0.23	Admin Expense \$0.52
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Original from August Board Meeting = \$2.91

Loss Cost \$2.08	LCM 1.400
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4%

Scenario A: 10% Rate Decrease & Same LCM = \$2.62

Loss Cost \$1.87	LCM 1.400
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-8%

Scenario B: 10% Rate Decrease & NEW LCM to BREAK-EVEN = \$2.80

Loss Cost \$1.87	LCM 1.496
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Scenario C: 10% Rate Decrease & NEW LCM for 4% Gain = \$2.91

Loss Cost \$1.87	LCM 1.556
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4%

KANSAS MUNICIPAL INSURANCE TRUST

Board of Trustees Minutes from August 22, 2014

Approved in Wichita on October 12, 2014

Meeting Convened: Friday, August 22, 2014 in Marysville City Hall, Marysville, KS. The meeting was called to order by KMIT Treasurer Keith Schlaegel at 9:14 AM (CDT). Marysville Mayor Bill Phillipi gave a nice welcome to the group.

Members Present: *Board Members Present:* Treasurer Keith Schlaegel (Stockton), Immediate Past President Larry Paine (Hillsboro), Debbie Price (Marysville), Tim Hardy (Elkhart), Michelle Stegman (Garden City), Tim Vandall (Ellsworth), Fred Gress (Parsons), Megan Fry (Pittsburg), and Randy Frazer (Moundridge). *Staff:* Paul Davis (IMA), Jaci Davis (IMA), Renee Rhodes (IMA), Gene Miller (IMA), Jess Cornejo (IMA), Deanna Furman (IMA), and Don Osenbaugh (KMIT Pool Administrator). *Guests:* None.

Members Absences From Meeting: President Herb Llewellyn (El Dorado). One Trustee position is vacant.

Minutes, June 27, 2014 (Roeland Park): Motion to approve as written by Paine; second by Frazer. Approved unanimously.

Financial Reports:

- a. June 30, 2014 Financials
- b. July 31, 2014 Financials
- c. Second Quarter 2014 KID Report
- d. July 31, 2014 Cash Summary

Motion to approve all of the above reports made by Paine, seconded by Gress. Approved unanimously.

Reserve Advisory and Settlement Authority: Miller gave a brief update on the recent major injury events in Russell and Lucas.

Upon a motion by Paine and a second by Hardy, the Board unanimously *re-approved* three Roeland Park (6/27/14) claims (8/22 agenda items 1, 2 and 5), which were not fully documented earlier.

Miller then reported on the following claims—

1. Claim #2012044260. Settlement request approved unanimously upon a motion by Hardy and second by Stegman. Full and final authority of up to \$20,000.
2. Claim #2013046062. Settlement request approved unanimously upon a motion by Vandall and second by Hardy. Full and final authority of up to \$20,000.
3. Claim #2013046286. Settlement request approved unanimously upon a motion by Paine and second by Price. Full and final authority of up to \$18,183.
4. Claim #2013047392. Settlement request approved unanimously upon a motion by Paine and second by Gress. Full and final authority of up to \$33,415.18.
5. Claim #2013045740. Settlement previously approved by Pool Administrator. Authority up to \$10,000.

6. Claim #2013045671. Settlement previously approved by Pool Administrator. Authority up to \$9,576.
7. Claim #2013046295. Settlement previously approved by Pool Administrator. Authority up to \$7,382.06.
8. Claim #2011042336. Settlement request approved unanimously upon a motion by Hardy and second by Vandall. Authority up to \$12,500.

Loss Control Activities: Rhodes reported on loss control activities.

‘LCM’ (Rate) Review/2015 Rate Determination: After the annual review of the variables and data related to the financial condition of KMIT, the Board voted unanimously to leave the Loss Cost Multiplier where it is for 2015. The KMT rate for 2015 will be 1.40. The motion was made by Hardy and seconded by Gress.

CORnerstone (IMA) Contract Renewal, for 2015: P. Davis presented the contract proposal of CORnerstone. The Board unanimously agreed to the changes requested, including: (1) the limits on decision-making on settlement. The adjuster’s authority limit was increased to \$10,000, and the Pool Administrator’s limit was raised to \$20,000. The Board will decide on all settlements over \$20,000; (2) The annual fee for services was increased by 5%, to \$530,000. Motion by Gress; second by Price.

Nomination Committee Report: On behalf of the committee, Schlaegel presented the list of nominees to fill the eight Trustee positions open for replacement/renewal. The four nominees who would be new to the Board include: Ty Lasher (Bel Aire City Manager, who served on the board for one term a few years ago, when he was with the City of Cheney), Kerry Rozman (Clay Center City Clerk), Nathan McCommon (Tonganoxie City Administrator), and David Dillner (Abilene City Manager). The four ‘returning’ nominees are Schlaegel, Frazer, Hardy and Fry.

2015 Board Meeting Sites/Dates: Osenbaugh discussed a draft list of meeting places and dates for 2015. He also announced that the December 2014 meeting is being moved to Wichita (WSU Student Union), following the recent decision by Llewellyn to retire from the Board.

Staff Reports: Osenbaugh gave a brief report covering current staff activities and the upcoming annual meeting.

Closed Session: Schlaegel requested a closed session, with only the Board in attendance. Stegman made that motion, seconded by Paine, and unanimously approved. That session began at 11:27 and ended at 11:37. At 11:38, the Board entered another closed session, with Osenbaugh present. Motion by Stegman; second by Paine. Osenbaugh exited at about 11:45. That closed session ended at 11:48.

Paine made a motion to increase Osenbaugh’s contract by 12%, effective September 1. Second by Hardy. Unanimously approved.

Adjournment: Motion made by Gress to adjourn; seconded by Vandall. Approved unanimously. The meeting was adjourned at 11:50.

GROUP - FUNDED POOL - QUARTERLY REPORT
K.S.A 12-2620

Kansas Municipal Insurance Trust

(Name of Company)

As of September 30, 2014

1st 2nd (3rd) 4th Quarter (CIRCLE ONE)

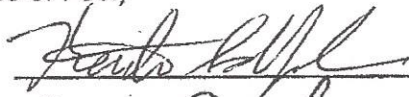
ASSETS	CURRENT FISCAL YEAR TO DATE 9/30/2014	PREVIOUS FISCAL YEAR END 12/31/2013 Audited
Administrative fund:		
Cash	\$ 242,279	\$ 41,306
Investments	0	
Claims fund:		
Cash	1,094,455	2,991,826
Investments	11,955,606	8,911,000
Premium contributions receivable	0	85,080
Excess insurance recoverable on claims payments	118,077	119,304
Interest income due and accrued	133,731	22,244
Receivable from affiliates		
Other assets:		
Agent Commissions Receivable	432	4,894
Prepaid Excess Insurance	115,779	
Prepaid Expenses	28,831	
Excess Insurance Premium Receivable	0	
Less: Non Admitted Assets	(144,610)	0
Total Assets	\$ 13,544,580	\$ 12,175,653

To the best of my knowledge, I hereby certify that the balance sheet and summary of operations contained herein represents a true and complete accounting of

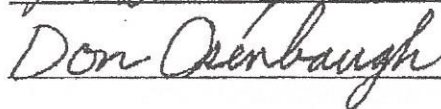
Kansas Municipal Insurance Trust

(Name of Pool)

By:



Chair of Trustees



Administrator

GROUP-FUNDED POOL-QUARTERLY REPORT
K.S.A 44-582

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>CURRENT FISCAL YEAR TO DATE</u> 9/30/2014	<u>PREVIOUS FISCAL YEAR END</u> 12/31/2013 Audited
Reserve for unpaid workers' compensation claims	\$ 3,032,620 \$	2,510,288
Reserve for unpaid claim adjustment expenses	260,965	248,656
Reserve for claims incurred but not reported	3,680,955	3,470,401
Unearned premium contribution	1,443,408	
Other expenses due or accrued		
Taxes, licenses and fees due or accrued	319,686	285,836
Borrowed money \$_____ and interest thereon \$_____		
Dividends payable to members		
Deposits on premium contributions		241,041
Excess insurance premium payable		
Payable to affiliates		
Accounts payable	0	39,300
Miscellaneous liabilities:		
Return Premium Payable		429,792
Total Liabilities:	\$ 8,737,634 \$	7,225,313
Special reserve funds:		
Total Special Reserve Funds		
<u>FUND BALANCE</u>		
Total Reserves and Fund Balance (Assets-Liabilities)	4,806,947 \$	4,950,340
Total Liabilities, Reserves and Fund Balance	\$ 13,544,580 \$	12,175,653

GROUP-FUNDED POOL-QUARTERLY REPORT
K.S.A 44-582

<u>SUMMARY OF OPERATIONS</u>	<u>CURRENT FISCAL YEAR TO DATE</u> 9/30/2014	<u>PREVIOUS FISCAL YEAR END</u> 12/31/2013 Audited
Underwriting Income		
Direct Premium Contributions Earned	\$ <u>4,317,430</u> \$	<u>4,853,835</u>
Deductions:		
Excess insurance premium incurred	<u>339,747</u>	<u>395,840</u>
Workers' compensation claims incurred	<u>3,068,614</u>	<u>2,305,548</u>
Claims adjustment expenses incurred	<u>165,440</u>	<u>237,436</u>
Other administrative expenses incurred	<u>959,842</u>	<u>979,782</u>
Total underwriting deductions	<u>4,533,643</u>	<u>3,918,605</u>
Net underwriting Gain or (Loss)	\$ <u>(216,214)</u> \$	<u>935,230</u>
Investment income		
Interest income earned (Net of investment expenses)	<u>217,430</u>	<u>71,861</u>
Other income		
Other income	<u></u>	<u></u>
Net income before dividends to members	<u>1,216</u>	<u>1,007,091</u>
Dividends to members	<u></u>	<u></u>
Net income after dividends to members	<u>1,216</u>	<u>1,007,091</u>
Net Income(Loss)	\$ <u>1,216</u> \$	<u>1,007,091</u>

GROUP-FUNDED POOL-QUARTERLY REPORT
K.S.A 44-582

<u>ANALYSIS OF FUND BALANCE</u>	<u>CURRENT FISCAL YEAR TO DATE</u>	<u>PREVIOUS FISCAL YEAR END</u>
	9/30/2014	12/31/2013 Audited
Fund balance, previous period	\$ <u>4,950,340</u> \$	<u>3,927,722</u>
Net income (Loss)	<u>1,216</u>	<u>1,007,091</u>
Change in non-admitted assets	<u>(144,610)</u>	
Rounding		
<u>Change in Non Admitted Assets</u>		<u>15,528</u>
Change in fund balance for the period	<u>(143,393)</u>	<u>1,022,619</u>
Fund balance, current period	\$ <u>4,806,947</u> \$	<u>4,950,340</u>

Contract Year January 1, 2014 to December 31, 2014
KANSAS PREMIUM AND LOSS EXPERIENCE EXHIBIT
1st 2nd 3rd 4th Quarter (circle one)

NAME OF KANSAS GROUP-FUNDED POOL _____ Kansas Municipal Insurance Trust

LINE OF BUSINESS: Workers Compensation EXPERIENCE CURRENT AS OF September 30, 2014

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Current Injuries	Total Injuries	Contract Period	Direct Premium Earned	Excess Insurance Premium Incurred	Net Premiums Earned Col 4-5	Direct Losses Incurred	Loss Adj. Exp. Incurred	Loss & Loss Exp Incurred Col 6-7	Service Agent Fees Incurred	General Expenses Incurred	Taxes, Licenses & Fees Incurred	Total Expenses Incurred Col 10 + 11 + 12	Claims Ratios as a % Col 9 / Col 6	Admin. Ratios as a % Col 13 / Col 6	Investment Income Earned
0	310	PCY 20	1,422,582	151,393	1,271,189	716,700	25,541	742,241	298,447	83,330	95,360	477,137	58.4%	37.5%	22,675
0	243	PCY 19	1,885,501	210,142	1,675,359	1,049,152	54,345	1,103,496	312,500	211,579	77,466	601,545	65.9%	35.9%	76,262
0	424	PCY 18	1,843,047	133,376	1,709,671	790,125	46,505	836,631	277,342	159,046	56,281	492,669	48.9%	28.8%	114,912
1	524	PCY 17	1,754,515	117,122	1,637,393	1,805,497	91,393	1,896,890	204,543	217,864	102,541	524,948	115.8%	32.1%	142,705
2	572	PCY 16	1,377,722	79,456	1,298,266	1,437,995	90,598	1,528,592	187,000	211,071	82,901	480,972	117.7%	37.0%	116,189
2	551	PCY 15	1,552,110	80,124	1,471,986	1,567,761	147,702	1,715,463	185,000	190,573	77,653	453,226	116.5%	30.8%	96,882
1	552	PCY 14	1,689,773	86,819	1,602,954	1,442,094	123,681	1,565,775	190,000	188,080	73,593	451,673	97.7%	28.2%	129,613
0	605	PCY 13	1,965,656	127,168	1,838,488	1,097,087	83,206	1,180,293	195,000	186,428	55,589	437,017	64.2%	23.8%	101,694
0	670	PCY 12	2,616,641	189,458	2,427,183	1,211,714	129,112	1,340,826	217,500	243,407	69,799	530,706	55.2%	21.9%	50,668
0	612	PCY 11	3,274,489	366,991	2,907,498	1,474,121	149,296	1,623,417	280,000	274,918	96,684	651,602	55.8%	22.4%	52,492
2	645	PCY 10	3,256,648	221,435	3,035,213	2,281,419	150,678	2,432,097	293,000	308,419	134,300	735,719	80.1%	24.2%	59,068
5	770	PCY 9	3,837,793	374,472	3,463,321	3,652,533	245,843	3,898,376	310,000	303,923	195,148	809,071	112.6%	23.4%	95,674
5	765	PCY 8	4,272,140	384,425	3,887,715	2,633,627	190,410	2,824,037	330,000	409,548	164,537	904,085	72.6%	23.3%	234,986
4	906	PCY 7	4,950,171	420,728	4,529,443	2,762,636	197,527	2,960,162	365,000	384,794	157,905	907,699	65.4%	20.0%	260,619
5	768	PCY 6	5,519,169	372,790	5,146,379	3,229,074	240,737	3,469,811	375,000	400,364	180,033	955,397	67.4%	18.6%	245,802
2	654	PCY 5	5,193,427	341,935	4,851,492	2,055,406	134,832	2,190,237	390,000	422,122	158,861	970,983	45.1%	20.0%	79,601
6	666	PCY 4	5,213,859	351,375	4,862,484	3,604,501	191,389	3,795,890	410,000	411,213	218,444	1,039,657	78.1%	21.4%	54,690
11	635	PCY 3	4,442,326	336,728	4,105,598	2,758,416	145,248	2,903,664	400,000	374,349	211,548	985,897	70.7%	24.0%	72,925
11	598	PCY 2	4,484,533	337,121	4,147,412	1,544,374	121,157	1,665,531	400,000	407,086	174,669	981,755	40.2%	23.7%	71,545
28	697	PCY 1	4,853,835	395,840	4,457,995	1,642,459	112,582	1,755,040	580,600	286,205	112,977	979,782	39.4%	22.0%	71,861
250	577	CCY	4,317,430	339,747	3,977,683	2,075,970	90,837	2,166,807	592,231	164,030	203,581	959,842	54.5%	24.1%	217,430

PFY = Prior fiscal Year

CFY = Current Fiscal Year

Column 1 should reflect the number of claims incurred in each respective contract period which were initially reported during the current fiscal year.

Column 2 should reflect the grand total of claims reported pertaining to each respective contract period.

Column 14 should reflect the Total Loss and Loss Expenses Incurred divided by the Net Premiums earned. (Column 9 divided by Column 6)

Column 15 should reflect the Total Expenses Incurred divided by the Net Premiums Earned. (Column 13 divided by Column 6)

Column 16 should reflect the Investment Income Earned during the contract year as reflected on the income statement.

KMIT Balance Sheet

As of October 31, 2014

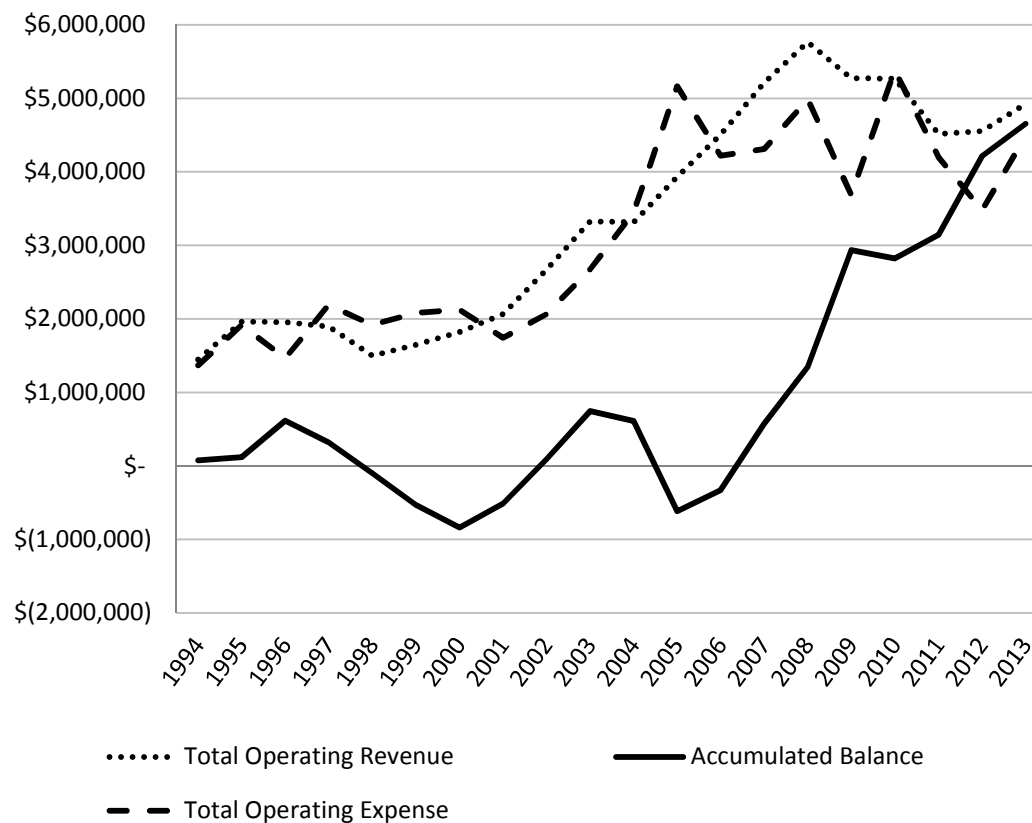
ASSETS

Checking Accounts	\$	978,493
Investments	\$	11,955,606
Accrued Interest	\$	140,692
Accounts Receivable	\$	432
Excess Premium Receivable	\$	-
Specific Recoverable	\$	247,691
Aggregate Recoverable	\$	72,974
Prepaid Expenses	\$	96,406
Total Assets	\$	13,492,295

LIABILITIES & EQUITY

Accounts Payable	\$	-
Excess Premium Payable	\$	-
Reserve for Losses	\$	3,321,582
IBNR Reserve	\$	3,869,017
Deposits on Premium	\$	962,272
Accrued Taxes and Assessments	\$	319,686
Total Liabilities	\$	8,472,557
Total Equity		5,019,738
Total Liabilities and Equity	\$	13,492,295

KMIT Financial Overview



KMIT Profit and Loss

As of October 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	\$ 531,450	\$ 508,283	\$ 461,093	\$ 450,253	\$ 437,018	\$ 533,041	\$ 650,298	\$ 737,759	\$ 811,050	\$ 907,410
CLAIMS FUND EXPENSE													
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,020,564	\$ 1,858,095	\$ 1,679,659	\$ 1,436,478	\$ 1,097,087	\$ 1,211,714	\$ 1,874,258	\$ 2,244,959	\$ 3,787,433	\$ 2,569,420
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,305	\$ 82,932	\$ 142,370	\$ 122,104	\$ 83,206	\$ 129,112	\$ 149,296	\$ 147,079	\$ 236,252	\$ 178,756
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ 53,680	\$ 61,380	\$ 52,393	\$ 20,616	\$ -	\$ -	\$ -	\$ 41,104	\$ 52,330	\$ 64,207
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ 1,088	\$ 7,666	\$ 5,333	\$ 1,576	\$ -	\$ -	\$ -	\$ 3,599	\$ 8,426	\$ 11,654
IBNR Reserve Expense	\$ 0	\$ -	\$ 0	\$ -	\$ 1	\$ -	\$ 9,328	\$ 0	\$ 0	\$ 32,844	\$ 54,350	\$ 80,416	\$ 104,425
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	\$ -	\$ -	\$ -	\$ -	\$ (199,962)	\$ (47,729)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (481,480)	\$ (170,384)	\$ -	\$ -	\$ (400,137)	\$ -	\$ (188,126)	\$ -	\$ -
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ (58,727)	\$ -	\$ (14,247)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ (295,131)	\$ -	\$ (107,134)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ 2,191,603	\$ 1,916,370	\$ 2,081,479	\$ 2,127,175	\$ 1,744,479	\$ 2,063,325	\$ 2,673,550	\$ 3,450,285	\$ 5,162,254	\$ 4,220,297
BALANCES													
KMIT Statutory Fund Balance	\$ 74,486	\$ 46,580	\$ 495,283	\$ (294,384)	\$ (418,015)	\$ (432,412)	\$ (307,790)	\$ 322,871	\$ 606,318	\$ 653,430	\$ (134,570)	\$ (1,228,787)	\$ 286,829
Accumulated Balance	\$ 74,486	\$ 121,066	\$ 616,349	\$ 321,965	\$ (96,049)	\$ (528,461)	\$ (836,250)	\$ (513,379)	\$ 92,939	\$ 746,370	\$ 611,800	\$ (616,987)	\$ (330,159)

KMIT Profit and Loss

As of October 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	\$ 4,853,835	\$ 4,798,566	\$ 5,800,000	\$ 70,204,502
Interest Income	\$ 260,619	\$ 245,802	\$ 79,601	\$ 54,690	\$ 72,925	\$ 70,104	\$ 71,861	\$ 227,309	\$ 72,000	\$ 2,376,728
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	\$ 4,925,696	\$ 5,025,875	\$ 5,872,000	\$ 72,591,932
ADMINISTRATION FUND EXPENSE	\$ 910,348	\$ 947,271	\$ 954,982	\$ 1,017,812	\$ 955,317	\$ 928,143	\$ 1,017,805	\$ 898,185	\$ 1,023,000	\$ 15,228,871
CLAIMS FUND EXPENSE										
Claims Paid Expense	\$ 2,579,080	\$ 3,060,501	\$ 2,015,667	\$ 3,414,681	\$ 2,141,414	\$ 1,465,916	\$ 1,373,285	\$ 1,035,573		\$ 39,421,761
Claims Paid Adjusting Expense	\$ 179,904	\$ 219,920	\$ 127,871	\$ 171,209	\$ 118,014	\$ 106,764	\$ 77,425	\$ 26,585		\$ 2,515,495
Claims Reserve Expense	\$ 183,555	\$ 155,752	\$ 39,737	\$ 194,820	\$ 617,002	\$ 113,422	\$ 239,823	\$ 1,174,331		\$ 3,064,154
Claims Reserves Adjusting Expense	\$ 17,623	\$ 19,324	\$ 6,962	\$ 17,680	\$ 27,234	\$ 24,891	\$ 30,854	\$ 73,517		\$ 257,428
IBNR Reserve Expense	\$ 19,143	\$ 215,774	\$ 195,265	\$ 215,901	\$ -	\$ 513,256	\$ 1,354,932	\$ 1,073,381		\$ 3,869,017
Excess Work Comp Insurance	\$ 420,728	\$ 372,790	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 395,128	\$ 378,340	\$ 425,000	\$ 5,457,237
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (247,691)
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,965)	\$ -	\$ -		\$ (1,518,840)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (72,974)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (402,265)
Claims Fund Expense	\$ 3,400,033	\$ 4,044,061	\$ 2,727,437	\$ 4,365,666	\$ 3,240,629	\$ 2,551,880	\$ 3,471,447	\$ 3,761,728	\$ 425,000	\$ 52,343,322
Total Operating Expense	\$ 4,310,381	\$ 4,991,332	\$ 3,682,419	\$ 5,383,478	\$ 4,195,946	\$ 3,480,023	\$ 4,489,252	\$ 4,659,913	\$ 1,448,000	\$ 67,572,194
BALANCES										
KMIT Statutory Fund Balance	\$ 902,814	\$ 773,640	\$ 1,590,609	\$ (114,929)	\$ 320,746	\$ 1,074,614	\$ 436,443	\$ 365,961	\$ 4,424,000	\$ 5,019,738
Accumulated Balance	\$ 572,656	\$ 1,346,295	\$ 2,936,904	\$ 2,821,975	\$ 3,142,721	\$ 4,217,335	\$ 4,653,778	\$ 5,019,739		

KMIT Admin Expenses

As of October 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	46,406	56,834	50,782	39,541	30,875	34,311	40,633	56,191	67,418	80,458	74,760
Sub Total	\$ 95,360	\$ 77,466	\$ 56,281	\$ 109,043	\$ 105,767	\$ 85,446	\$ 72,173	\$ 55,589	\$ 69,799	\$ 95,381	\$ 136,340	\$ 197,127	\$ 167,862	\$ 158,149
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
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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
Administration Fund Expense	\$ 477,137	\$ 601,545	\$ 492,669	\$ 531,450	\$ 508,283	\$ 461,093	\$ 450,253	\$ 437,018	\$ 533,041	\$ 650,298	\$ 737,759	\$ 811,050	\$ 907,410	\$ 910,348

KMIT Admin Expenses

As of October 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	\$ 102,636	\$ 82,134	\$ 95,000	\$ 1,000,481
Directors and Officers Insurance	\$ 18,542	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 13,297	\$ 18,000	\$ 134,244
Meetings/Travel	\$ -	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 23,657	\$ 16,000	\$ 63,321
Contingencies/Miscellaneous	\$ 26,155	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 3,980	\$ 8,000	\$ 352,526
Bank Fees	\$ 2,638	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 4,390	\$ 5,000	\$ 43,971
Write Off	\$ -	\$ -	\$ -	\$ (104)	\$ -		\$ -	\$ -	\$ (104)
LKM Clearing	\$ -	\$ -		\$ 60	\$ -		\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ 161	\$ -	\$ 1,052
Office Supplies					\$ 1,112	\$ 1,830	\$ 3,015	\$ 5,000	\$ 5,957
Sub Total	\$ 135,867	\$ 147,147	\$ 121,475	\$ 107,167	\$ 126,735	\$ 152,627	\$ 130,633	\$ 147,000	\$ 1,601,509
REGULATORY									
Kansas Insurance Dept (KID) Premium Tax	54,139	48,525	49,030	40,919	\$ 43,445	\$ 44,349	\$ 39,777	\$ 48,000	649,644
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	81,589	62,496	86,365	26,789	\$ 77,831	\$ 106,710	\$ 56,190	\$ 66,000	1,112,715
Sub Total	\$ 171,907	\$ 142,860	\$ 196,599	\$ 149,322	\$ 121,276	\$ 151,059	\$ 95,967	\$ 163,000	\$ 2,510,775
CONTRACTURAL									
Financial Audit	\$ 13,127	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ 3,303	\$ 23,000	265,772
Actuarial	\$ 13,000	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ 500	\$ 15,000	187,395
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 170,000	\$ 170,000	930,000
Risk Control	\$ 140,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000	\$ 150,000	2,234,073
Claims Adjusting	\$ 165,000	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	3,466,259
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,671	\$ -	9,671
Pool Admin Services	\$ 220,000	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 67,340	\$ 78,000	3,645,960
Payroll Audits	\$ 18,370	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ 2,143	\$ 22,000	170,836
Rating Services	\$ -	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ 10,887	\$ -	58,875
Web Hosting	\$ -	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 2,743	\$ -	7,747
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	140,000
Sub Total	\$ 639,497	\$ 664,975	\$ 699,738	\$ 698,827	\$ 680,133	\$ 714,119	\$ 671,586	\$ 713,000	\$ 11,116,588
Administration Fund Expense	\$ 947,271	\$ 954,982	\$ 1,017,812	\$ 955,317	\$ 928,143	\$ 1,017,805	\$ 898,185	\$ 1,023,000	\$ 15,228,871

KMIT Balance Sheet

As of November 30, 2014

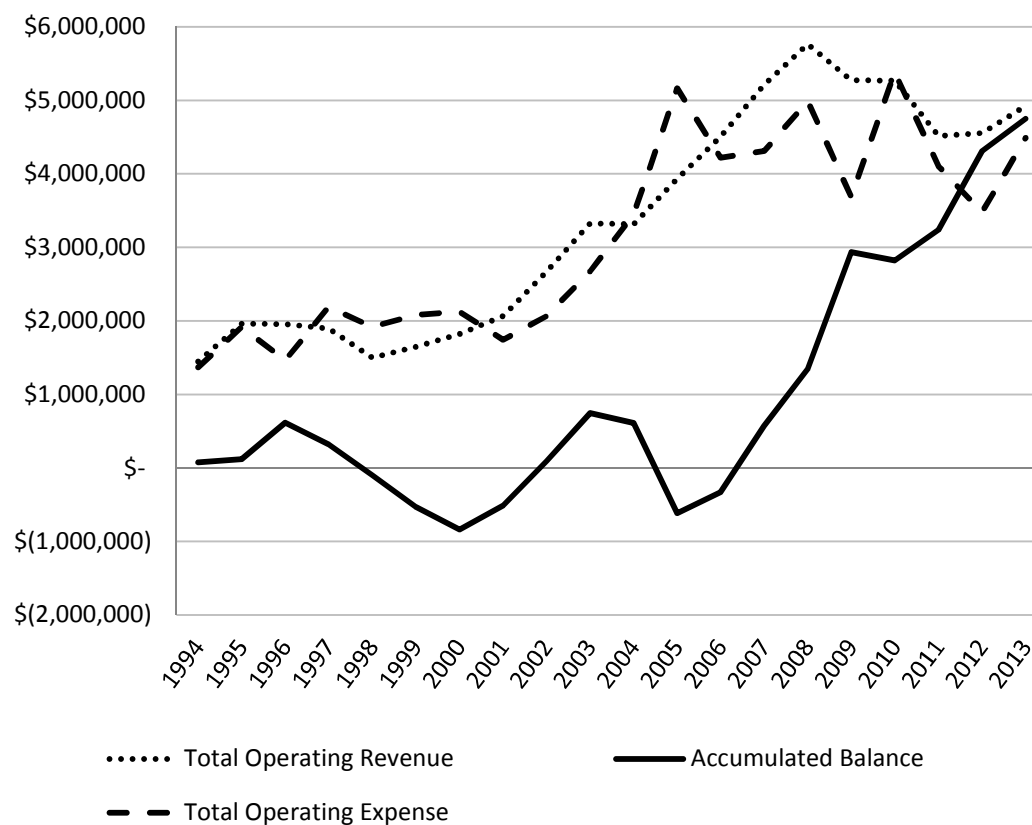
ASSETS

Checking Accounts	\$	1,183,841
Investments	\$	11,455,606
Accrued Interest	\$	139,103
Accounts Receivable	\$	432
Excess Premium Receivable	\$	-
Specific Recoverable	\$	247,691
Aggregate Recoverable	\$	72,974
Prepaid Expenses	\$	48,203
Total Assets	\$	13,147,850

LIABILITIES & EQUITY

Accounts Payable	\$	-
Excess Premium Payable	\$	-
Reserve for Losses	\$	3,221,745
IBNR Reserve	\$	3,917,523
Deposits on Premium	\$	481,136
Accrued Taxes and Assessments	\$	319,686
Total Liabilities	\$	7,940,091
Total Equity		5,207,760
Total Liabilities and Equity	\$	13,147,850

KMIT Financial Overview



KMIT Profit and Loss

As of November 30, 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	\$ 531,450	\$ 508,283	\$ 461,093	\$ 450,253	\$ 437,018	\$ 533,041	\$ 650,298	\$ 737,759	\$ 811,050	\$ 907,410
CLAIMS FUND EXPENSE													
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,021,140	\$ 1,859,086	\$ 1,680,153	\$ 1,438,182	\$ 1,097,087	\$ 1,211,714	\$ 1,874,258	\$ 2,245,399	\$ 3,789,616	\$ 2,570,052
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,305	\$ 82,934	\$ 142,370	\$ 122,156	\$ 83,206	\$ 129,112	\$ 149,296	\$ 147,324	\$ 236,278	\$ 178,760
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ 53,105	\$ 60,390	\$ 51,900	\$ 18,913	\$ -	\$ -	\$ -	\$ 40,664	\$ 50,148	\$ 68,575
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ 1,088	\$ 7,664	\$ 5,333	\$ 1,524	\$ -	\$ -	\$ -	\$ 3,354	\$ 8,400	\$ 11,649
IBNR Reserve Expense	\$ 0	\$ -	\$ 0	\$ -	\$ 1	\$ -	\$ 9,328	\$ 0	\$ 0	\$ 32,844	\$ 54,350	\$ 80,416	\$ 99,425
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	\$ -	\$ -	\$ -	\$ -	\$ (199,962)	\$ (47,729)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (481,480)	\$ (170,384)	\$ -	\$ -	\$ (400,137)	\$ -	\$ -	\$ (188,126)	\$ -
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ (58,727)	\$ -	\$ (14,247)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ (295,131)	\$ -	\$ (107,134)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ 2,191,603	\$ 1,916,370	\$ 2,081,479	\$ 2,127,175	\$ 1,744,479	\$ 2,063,325	\$ 2,673,550	\$ 3,450,285	\$ 5,162,254	\$ 4,220,297
BALANCES													
KMIT Statutory Fund Balance	\$ 74,486	\$ 46,580	\$ 495,283	\$ (294,384)	\$ (418,015)	\$ (432,412)	\$ (307,790)	\$ 322,871	\$ 606,318	\$ 653,430	\$ (134,570)	\$ (1,228,787)	\$ 286,829
Accumulated Balance	\$ 74,486	\$ 121,066	\$ 616,349	\$ 321,965	\$ (96,049)	\$ (528,461)	\$ (836,250)	\$ (513,379)	\$ 92,939	\$ 746,370	\$ 611,800	\$ (616,987)	\$ (330,159)

KMIT Profit and Loss

As of November 30, 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	\$ 4,853,835	\$ 5,279,702	\$ 5,800,000	\$ 70,685,639
Interest Income	\$ 260,619	\$ 245,802	\$ 79,601	\$ 54,690	\$ 72,925	\$ 70,104	\$ 71,861	\$ 237,023	\$ 72,000	\$ 2,386,442
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	\$ 4,925,696	\$ 5,516,725	\$ 5,872,000	\$ 73,082,782
ADMINISTRATION FUND EXPENSE	\$ 910,348	\$ 947,271	\$ 954,982	\$ 1,017,812	\$ 955,317	\$ 928,143	\$ 1,017,805	\$ 919,851	\$ 1,023,000	\$ 15,250,537
CLAIMS FUND EXPENSE										
Claims Paid Expense	\$ 2,582,787	\$ 3,064,464	\$ 2,015,885	\$ 3,420,452	\$ 2,178,774	\$ 1,510,234	\$ 1,386,154	\$ 1,200,115		\$ 39,701,527
Claims Paid Adjusting Expense	\$ 179,917	\$ 221,021	\$ 127,871	\$ 171,236	\$ 119,284	\$ 107,169	\$ 79,000	\$ 35,999		\$ 2,529,629
Claims Reserve Expense	\$ 179,849	\$ 151,789	\$ 39,607	\$ 204,379	\$ 486,214	\$ 134,491	\$ 221,019	\$ 1,200,338		\$ 2,961,378
Claims Reserves Adjusting Expense	\$ 17,609	\$ 18,222	\$ 6,962	\$ 17,658	\$ 23,623	\$ 24,493	\$ 28,383	\$ 84,404		\$ 260,367
IBNR Reserve Expense	\$ 19,143	\$ 215,774	\$ 195,177	\$ 200,566	\$ -	\$ 447,864	\$ 1,361,763	\$ 1,200,871		\$ 3,917,523
Excess Work Comp Insurance	\$ 420,728	\$ 372,790	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 395,128	\$ 416,933	\$ 425,000	\$ 5,495,830
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (247,691)
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,965)	\$ -	\$ -		\$ (1,518,840)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (72,974)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (402,265)
Claims Fund Expense	\$ 3,400,033	\$ 4,044,061	\$ 2,727,437	\$ 4,365,666	\$ 3,144,860	\$ 2,551,880	\$ 3,471,447	\$ 4,138,660	\$ 425,000	\$ 52,624,485
Total Operating Expense	\$ 4,310,381	\$ 4,991,332	\$ 3,682,419	\$ 5,383,478	\$ 4,100,177	\$ 3,480,023	\$ 4,489,252	\$ 5,058,511	\$ 1,448,000	\$ 67,875,023
BALANCES										
KMIT Statutory Fund Balance	\$ 902,814	\$ 773,640	\$ 1,590,609	\$ (114,929)	\$ 416,515	\$ 1,074,614	\$ 436,443	\$ 458,213	\$ 4,424,000	\$ 5,207,760
Accumulated Balance	\$ 572,656	\$ 1,346,295	\$ 2,936,904	\$ 2,821,975	\$ 3,238,490	\$ 4,313,104	\$ 4,749,547	\$ 5,207,760		

KMIT Admin Expenses

As of November 30,2014

	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	46,406	56,834	50,782	39,541	30,875	34,311	40,633	56,191	67,418	80,458	74,760
Sub Total	\$ 95,360	\$ 77,466	\$ 56,281	\$ 109,043	\$ 105,767	\$ 85,446	\$ 72,173	\$ 55,589	\$ 69,799	\$ 95,381	\$ 136,340	\$ 197,127	\$ 167,862	\$ 158,149
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
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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
Administration Fund Expense	\$ 477,137	\$ 601,545	\$ 492,669	\$ 531,450	\$ 508,283	\$ 461,093	\$ 450,253	\$ 437,018	\$ 533,041	\$ 650,298	\$ 737,759	\$ 811,050	\$ 907,410	\$ 910,348

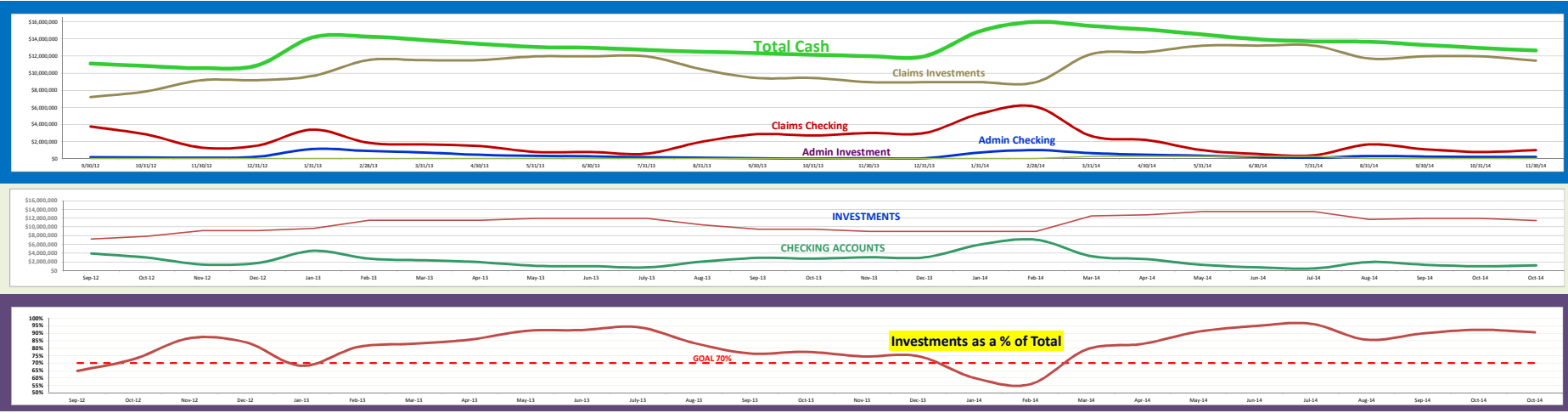
KMIT Admin Expenses

As of November 30,2014

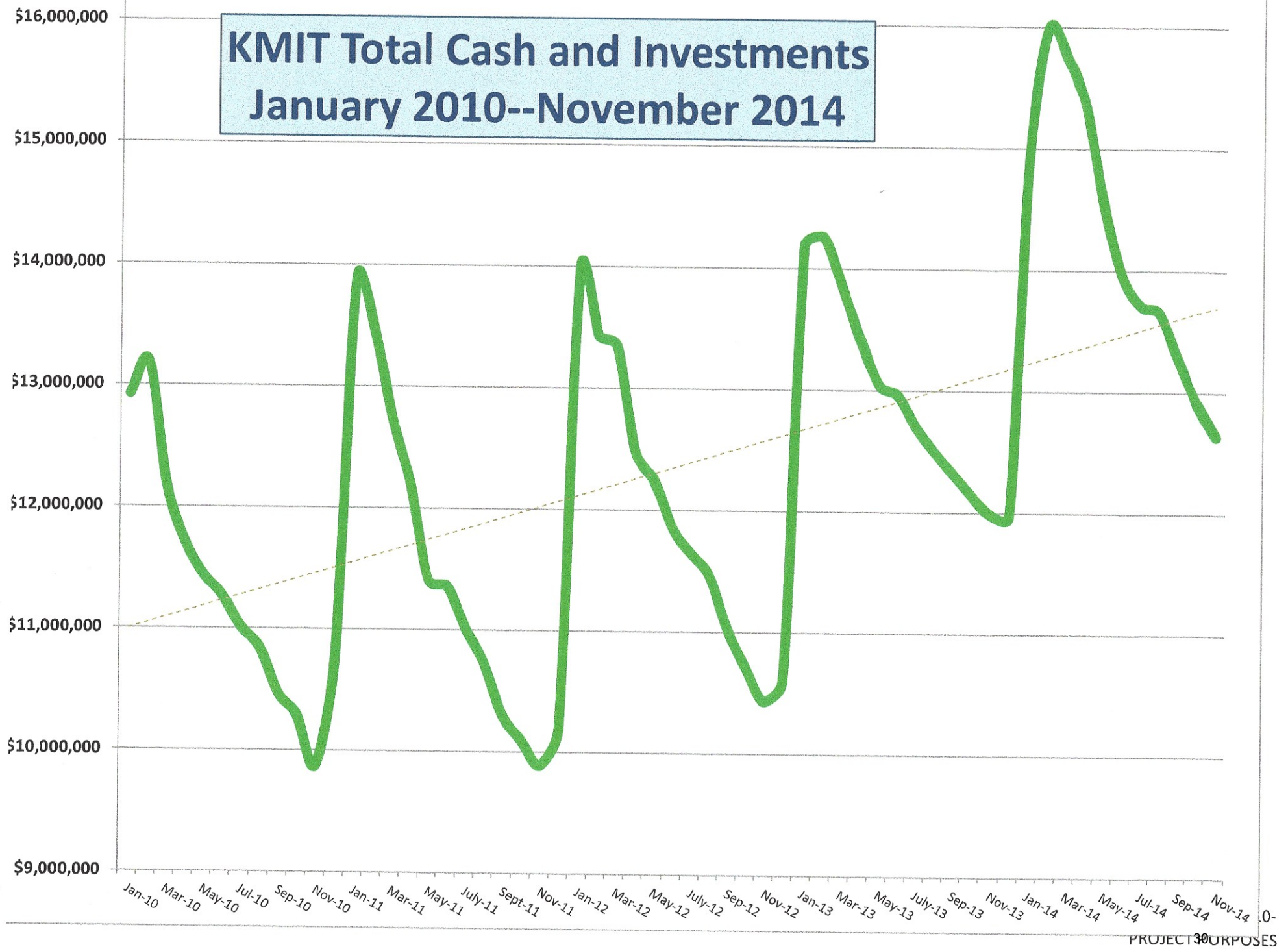
	2008	2009	2010	2011	2012	2013	2014	2014	Total
	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Accrued To Date	Budget	Accrued To Date
GENERAL EXPENSES									
Agent Commissions	\$ 88,532	\$ 94,214	\$ 93,637	\$ 82,860	\$ 96,481	\$ 102,636	\$ 90,414	\$ 95,000	\$ 1,008,762
Directors and Officers Insurance	\$ 18,542	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 14,626	\$ 18,000	\$ 135,573
Meetings/Travel	\$ -	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 28,204	\$ 16,000	\$ 67,868
Contingencies/Miscellaneous	\$ 26,155	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 3,980	\$ 8,000	\$ 352,526
Bank Fees	\$ 2,638	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 4,430	\$ 5,000	\$ 44,012
Write Off	\$ -	\$ -	\$ -	\$ (104)	\$ -		\$ -	\$ -	\$ (104)
LKM Clearing	\$ -	\$ -		\$ 60	\$ -		\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ 161	\$ -	\$ 1,052
Office Supplies					\$ 1,112	\$ 1,830	\$ 3,203	\$ 5,000	\$ 6,145
Sub Total	\$ 135,867	\$ 147,147	\$ 121,475	\$ 107,167	\$ 126,735	\$ 152,627	\$ 145,019	\$ 147,000	\$ 1,615,895
REGULATORY									
Kansas Insurance Dept (KID) Premium Tax	54,139	48,525	49,030	40,919	\$ 43,445	\$ 44,349	\$ 39,777	\$ 48,000	649,644
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	81,589	62,496	86,365	26,789	\$ 77,831	\$ 106,710	\$ 56,190	\$ 66,000	1,112,715
Sub Total	\$ 171,907	\$ 142,860	\$ 196,599	\$ 149,322	\$ 121,276	\$ 151,059	\$ 95,967	\$ 163,000	\$ 2,510,775
CONTRACTURAL									
Financial Audit	\$ 13,127	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ 3,303	\$ 23,000	265,772
Actuarial	\$ 13,000	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ 500	\$ 15,000	187,395
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 170,000	\$ 170,000	930,000
Risk Control	\$ 140,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000	\$ 150,000	2,234,073
Claims Adjusting	\$ 165,000	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	3,466,259
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,671	\$ -	9,671
Pool Admin Services	\$ 220,000	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 74,620	\$ 78,000	3,653,240
Payroll Audits	\$ 18,370	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ 2,143	\$ 22,000	170,836
Rating Services	\$ -	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ 10,887	\$ -	58,875
Web Hosting	\$ -	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 2,743	\$ -	7,747
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	140,000
Sub Total	\$ 639,497	\$ 664,975	\$ 699,738	\$ 698,827	\$ 680,133	\$ 714,119	\$ 678,866	\$ 713,000	\$ 11,123,868
Administration Fund Expense	\$ 947,271	\$ 954,982	\$ 1,017,812	\$ 955,317	\$ 928,143	\$ 1,017,805	\$ 919,851	\$ 1,023,000	\$ 15,250,537

KMIT Cash Management/Investment Summary
September 2012--November 2014

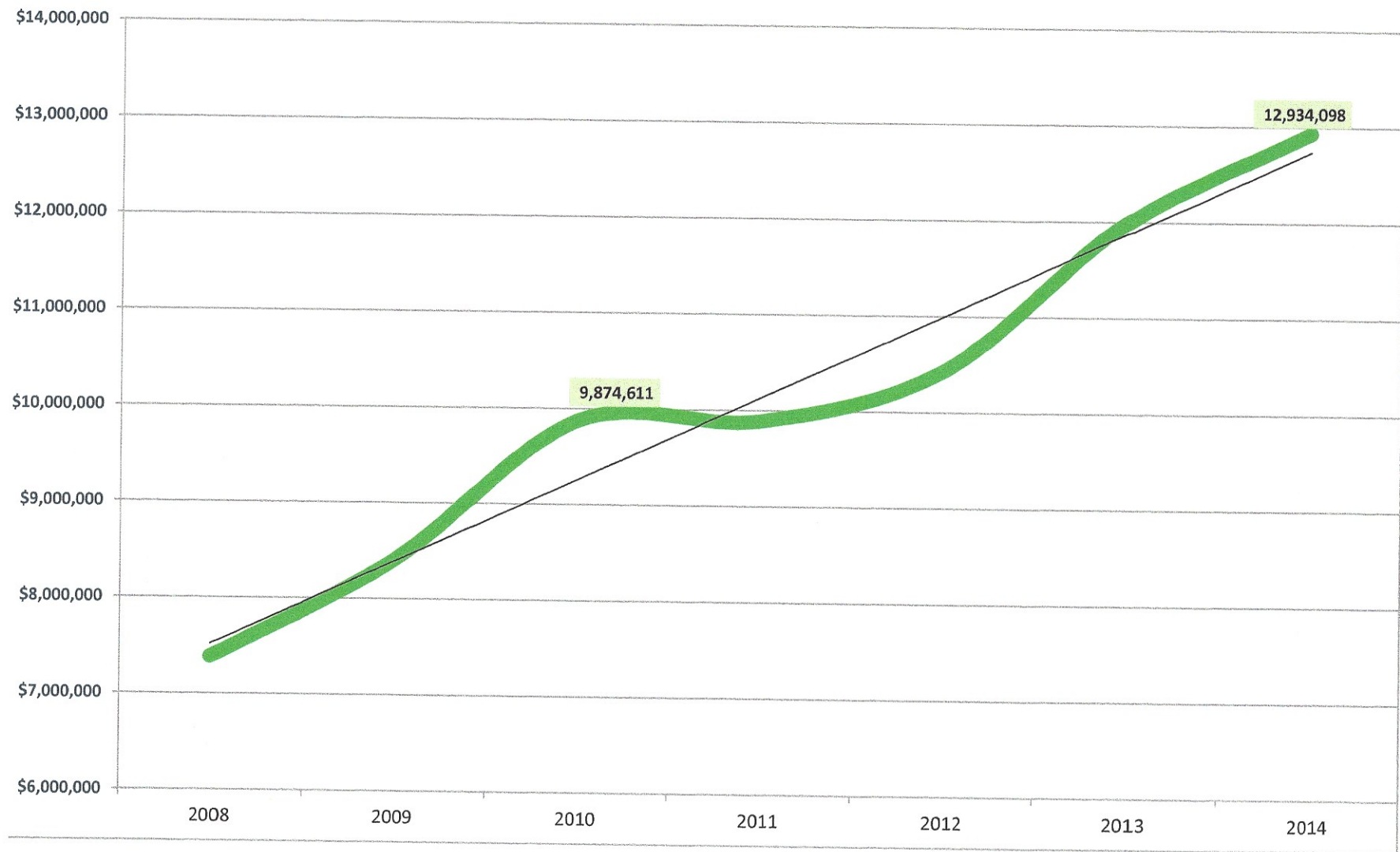
	9/30/12	10/31/12	11/30/12	12/31/12	1/31/13	2/28/13	3/31/13	4/30/13	5/31/13	6/30/13	7/31/13	8/31/13	9/30/13	10/31/13	11/30/13	12/31/13	1/31/14	2/28/14	3/31/14	4/30/14	5/31/14	6/30/14	7/31/14	8/31/14	9/30/14	10/31/14	11/30/14	
KMIT Admin Fund (KAF)																												KMIT Admin Fund (KAF)
Admin Account	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	447,381	319,213	194,070	104,799	294,067	242,279	206,707	194,692	Admin Account
Admin Checking	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	447,381	319,213	194,070	104,799	294,067	242,279	206,707	194,692	Admin Checking
KMIT Claims Fund (KCF)																												KMIT Claims Fund (KCF)
Claims Account	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	2,008,412	789,692	585,699	159,848	1,525,149	1,020,291	697,396	883,270	Claims Account
TPA Claims Check Book (at IMA)	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	161,078	195,508	(52,314)	228,201	130,108	74,164	74,390	105,878	TPA Claims Check Book (at IMA)
Claims Checking	3,748,120	2,828,198	1,293,287	1,517,034	3,391,749	1,846,030	1,650,808	1,466,199	778,702	763,339	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	2,169,490	985,200	533,385	388,049	1,655,257	1,094,455	771,786	989,148	Claims Checking
INVESTMENTS																												INVESTMENTS
Admin Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	250,000	250,000	250,000	250,000	250,000	0	0	0	Admin Investments
Claims Investments	7,192,487	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	12,468,606	13,215,606	13,215,606	13,215,606	11,706,606	11,955,606	11,955,606	11,455,606	Claims Investments
TOTAL CASH	11,115,685	10,826,573	10,974,417	10,969,605	14,181,543	14,262,851	13,885,113	13,422,282	13,046,831	12,963,489	12,609,268	12,497,184	12,326,262	12,151,929	11,986,031	11,966,376	14,896,621	15,987,295	15,904,337	15,085,477	14,520,019	13,943,061	13,708,454	13,655,330	13,292,340	12,934,099	12,439,446	TOTAL CASH
	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	4/30/14	5/31/14	6/30/14	7/31/14	8/31/14	9/30/14	10/31/14	11/30/14	



KMIT Total Cash and Investments January 2010--November 2014



November 30 Cash Balance 2008-2014



CLAIM SUMMARY-RESERVE INCREASE

Employer: City of Herrington
Claim No.: 2014048034
Employee Age: 53
AWW: \$848.78
Attorneys: Employee -No
Adjuster: Miller

Date of Injury: 4/15/2014
Job Description: Electrician
Updated: 10/23/2014
TTD Rate: \$565.85
Employer -No

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$3,500.00	\$2,500.00	\$750.00	\$6,750.00
New Reserves	\$35,000.00	\$20,000.00	\$1,500.00	\$56,500.00
Amount Paid	\$28,408.91	\$3,809.44	\$706.92	\$32,925.27
Outstanding	\$6,591.09	\$16,190.56	\$793.08	\$23,574.73

Accident Description/Nature of Injury:

- Claimant was moving electrical wires with aid of pulley. Wires fell and his right shoulder was jerked and popped. He felt immediate pain.

Investigation/Compensability

- The accident was witnessed by several coworkers. In fact, they heard his shoulder pop.
- The accident/injury were not questioned and accepted as compensable.

Medical Management

- Conservative treatment did not relieve his symptoms so a MRI was taken which revealed rotator cuff tear and biceps tendon subluxation.
- He was referred to Dr. Chase who performed surgery on 5/1/14.

Periods of Disability

- 5/1/14 to 6/15/14.

Indemnity

- TTD: Reserves reflect 7 weeks.
- PPD: Reserves reflect 15% to shoulder.

Subrogation/Other Issues

- No source for subrogation or contribution.

Plan of Action:

- We achieved early return to work the cooperation of the city and he is still working modified duty. He is expected to be released and rated in February 2015.
- Once the rating is received, settlement authority will be obtained, settlement negotiated, Division approved and file closed.

CLAIM SUMMARY-RESERVE INCREASE

Employer: City of Hays
Claim No.: 2014047753
Employee Age: 35
AWW: \$966.97
Attorneys: Employee -Bruce Brumley
Adjuster: Gene Miller

Date of Injury: 2/22/2014
Job Description: Police Officer
Updated: 11/20/2014
TTD Rate: \$587.00
Employer -Mark Hoffmeister

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$1,200.00	\$5,000.00	\$100.00	\$6,300.00
New Reserves	\$10,000.00	\$20,000.00	\$7,500.00	\$37,500.00
Amount Paid	\$4,199.42	\$0.00	\$2,919.01	\$7,118.43
Outstanding	\$5,800.58	\$20,000.00	\$4,580.99	\$30,381.57

Accident Description/Nature of Injury:

- Officer had responded to a disturbance call and was walking back to his car when he stepped in a hole with his left foot and injured his knee.

Investigation/Compensability

- The accident was witnessed by two coworkers and medical treatment was received the same day.
- MRI was done that didn't appear to show any structural change to the knee and that he only had complications from aging.
- He obtained an attorney and prevailing factor opinions obtained by each side contradicted each other. The ALJ ordered an IME with Dr. Gruber who found the accident was the prevailing factor and he is not at MMI but does not have any medical treatment to currently offer.

Medical Management

- He received only conservative care and has been released to return to work.

Periods of Disability

- 2/23/14 to 5/19/14.

Indemnity

- TTD: Reserves reflect 12 weeks.
- PPD: Reserves reflect 10% knee.

Subrogation/Other Issues

- He admits to having a surgery to his right knee but no contribution expected from that injury. No sources for subrogation.

Plan of Action:

- I will work with our defense attorney to obtain a disability rating, assist with negotiations, obtain Board approval if necessary, obtain Division approval and close file.

CLAIM SUMMARY-RESERVE INCREASE

Employer: Osage City
Claim No.: 2014069398
Employee Age: 49
AWW: \$714.83
Attorneys: Employee -No
Adjuster: Miller

Date of Injury: 9/23/2014
Job Description: Street Dept
Updated: 10/23/14
TTD Rate: \$476.55
Employer -No

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$0.00	\$0.00	\$0.00	\$0.00
New Reserves	\$30,000.00	\$5,000.00	\$1,500.00	\$36,500.00
Amount Paid	\$9.35	\$1,906.20	\$0.00	\$1,915.55
Outstanding	\$29,990.65	\$3,093.80	\$1,500.00	\$34,584.45

Accident Description/Nature of Injury:

- Claimant was starting a fire to burn a brush pile. He had a can of gas he splashed on the brush. He then bent over with his lighter to start the fire and a fire ball burst from the brush and burned his hands and face.

Investigation/Compensability

- The accident was witnessed by two coworkers and compensability not questioned.

Medical Management

- His supervisor took him to the city's local doctor who referred him to Stormont Vail. They referred him to KU Medical Center where he ultimately underwent skin grafting to right hand.
- Left hand and face are resolving with application of ointment.

Periods of Disability

- He has been off work since the accident but released to 4 hour/days following his 10/22/14 visit. Doctor has said he should be able to resume regular duties 6 weeks post-op.

Indemnity

- TTD: Reserves reflect 8 weeks.
- PPD: Reserves reflect 2 1/2 % hand.

Subrogation/Other Issues

- No source for subrogation or contribution.

Plan of Action:

- Strive for early return to work and then to regular duty. Once released by the doctor, will ask for disability rating and handle accordingly.

CLAIM SUMMARY-RESERVE INCREASE

Employer: City of Pittsburgh
Claim No.: 2014048065
Employee Age: 40
AWW: \$1,086.31
Attorneys: Employee -No
Adjuster: Gene Miller

Date of Injury: 4/15/2014
Job Description: Auditorium Manager
Updated: 11/3/2014
TTD Rate: \$587.00
Employer -N0

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$0.00	\$0.00	\$0.00	\$0.00
New Reserves	\$15,000.00	\$10,000.00	\$2,500.00	\$27,500.00
Amount Paid	\$4,231.36	\$0.00	\$8.00	\$4,231.36
Outstanding	\$10,768.64	\$10,000.00	\$2,495.00	\$23,260.64

Accident Description/Nature of Injury:

- Claimant developed bi-lateral numbness and paresthesias. He uses his hands extensively in his job.

Investigation/Compensability

- He had some medical testing done prior to obtaining a CTS diagnosis. He reported the claim within the 20-day reporting period. Condition related to his job, not contested and accepted as compensable.

Medical Management

- He was referred to Dr. Grantham who performed the right-sided surgery on 6/13/14 and he has made an uneventful recovery. The left side is scheduled 11/3/2014.

Periods of Disability

- He returned to modified duty the day after right-sided surgery.

Indemnity

- TTD: Set for 2 weeks.
- PPD: Set for 4% body (bi-lateral injury).

Subrogation/Other Issues

- No source for subrogation or contribution.

Plan of Action:

- I will follow up after surgery to confirm normal results. Strive for early return to work. Follow up after each doctor's visit to learn of his progress and when released from care. Disability rating will then be requested, settlement authority obtained, if necessary, settlement negotiated, Division approval obtained and file closed.

CLAIM SUMMARY-RESERVE INCREASE

Employer: City of Minneapolis
Claim No.: 2014069578
Employee Age: 24
AWW: \$568.32
Attorneys: Employee -No
Adjuster: Gene Miller

Date of Injury: 10/7/2014
Job Description: Water Dept
Updated: 11/19/2014
TTD Rate: \$378.88
Employer -No

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$1,200.00	\$0.00	\$100.00	\$1,300.00
New Reserves	\$50,000.00	\$3,500.00	\$1,200.00	\$54,700.00
Amount Paid	\$1,400.55	\$324.75	\$11.20	\$1,736.50
Outstanding	\$48,599.45	\$3,175.25	\$1,188.80	\$52,963.50

Accident Description/Nature of Injury:

- Employee was loading a piece of pipe in front of trencher. Pipe was sticking out and he hit with hammer and piece of metal broke off and went in left eye.

Investigation/Compensability

- The accident was witnessed by coworker and promptly reported. Injury accepted as compensable.

Medical Management

- He was initially taken to the city doctor but referred to Wesley Medical Center and on to eye specialist, Dr. Chacko. He has had four surgeries to attach cornea, cataract repair, remove foreign body, and attach retina. The doctor indicates another surgery may be necessary to repair the membrane over the retina.

Periods of Disability

- 10/8/14 to 10/20/14.

Indemnity

- TTD: Reflects two weeks.
- PPD: Reflects 8% eye.

Subrogation/Other Issues

- No sources for subrogation or contribution.

Plan of Action:

- Maintain contact with employee after every doctor visit to learn medical status. When he is released from medical care, disability rating will be requested, settlement negotiated, Division approval obtained and file closed.

CLAIM SUMMARY-RESERVE INCREASE

Employer: Arkansas City
Claim No.: 2014048087
Employee Age: 69
AWW: \$185.24
Attorneys: Employee -Jon Voegeli
Adjuster: Gene Miller

Date of Injury: 4/9/2014
Job Description: Street Dept
Updated: 11/19/2014
TTD Rate: \$123.49
Employer -Terry Torline

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$1,200.00	\$1,200.00	\$100.00	\$2,500.00
New Reserves	\$35,000.00	\$20,00.00	\$2,500.00	\$57,500.00
Amount Paid	\$6,895.86	\$3,581.21	\$89.77	\$10,566.84
Outstanding	\$28,104.14	\$16,418.79	\$2,410.23	\$46,933.16

Accident Description/Nature of Injury:

- Employee was pulling a piece of wire from a brush pile that was to be burned, when he felt pain in his low back.

Investigation/Compensability

- He did not report the injury till 5 days later and had been treating with a chiropractor. DC was paid as unauthorized medical. The city's doctor referred to Dr. Hufford for prevailing factor opinion. He has had two previous back surgeries and after the last, was accepted on SSDI. Dr. Hufford opinioned that the prevailing factor in need for treatment was the work injury.

Medical Management

- MRI was done 5/29/14 which revealed a broad based protrusion with annular tear at L 3-4 and small central protrusion at L 4-5.
- Conservative treatment failed to relieve his symptoms and surgery was performed 9/4/14 and he is currently in physical therapy recovering.

Periods of Disability

- 5/2/14 to present.

Indemnity

- TTD: Reflects an additional 13 weeks.
- PPD: Reserves reflect 25% to back.

Subrogation/Other Issues

- He has had 2 prior back surgeries which we will get contribution. He is diabetic which may prolong his recovery. No source for subrogation.

Plan of Action:

- Follow up after every doctor's visit to monitor his recovery. Strive for early return to work. When he is released from medical care, work with our defense attorney to obtain a disability rating, negotiate settlement, obtain Division approval and close file.

CLAIM SUMMARY-SETTLEMENT REQUEST

Employer: City of Arkansas City
Claim No.: 2011041478
Employee Age: 47
AWW: \$1181.61
Attorneys: Employee -Orvel Mason
Adjuster: Gene Miller

Date of Injury: 7/16/2011
Job Description: Police Officer
Updated: 11/25/2014
TTD Rate: \$555.00
Employer -Jeff Brewer

	Medical	Indemnity	Expense	Total
Reserves	\$40,000.00	\$66,097.73	\$10,000.00	\$116,097.73
Amount Paid	\$28,855.50	\$4,600.95	\$6,711.73	\$40,168.18
Outstanding	\$11,144.50	\$61,796.78	\$3,288.27	\$75,929.55

Accident Description/Nature of Injury:

- Employee was approaching a car he had stopped and stepped in a man hole with his right leg, which was missing its cover. It was night and man hole not visible. He injured his right foot, ankle, leg and knee, back and shoulders in the fall.

Investigation/Compensability

- The injury was reported the same day, supervisor came to scene and was accepted as compensable.

Medical Management

- He suffered a fracture in his right ankle which required surgery and still wears an ankle brace when he is on his feet. His back injuries were treated with physical therapy and prescriptions.

Periods of Disability

- 7/25/11 to 8/14/11 and 12/5/12 to 1/17/13.

Permanent Partial Impairment/Permanent Disability

- There are 3 ratings which have been given. Dr. Hufford 18% BAW = \$41,458.80, Dr. Murati 32% = \$73,704.00 and Dr. Prostic 30% = \$61,496.78.

Subrogation/Other Issues

- Prior to this injury he had a back surgery and 2 right shoulder surgeries. The disability from these injuries was backed out from the ratings given.

Plan of Action:

- Request settlement authority to \$61,496.78
- $415 - 0 = 415 \times 26.7\% = 110.805 \times \$555.00 = \$61,496.78$
- A Pre-hearing Settlement Hearing was held on this case 11/24/14 and the judge reviewed the above ratings. She indicated that she would average the ratings for a settlement. Claimant's attorney has indicated that his client will not close out his right to review & modify the award or close his right to future medical.

The defense attorney's evaluation of the case follows.

Mr. Miller:

The PHSC was held on this claim before ALJ Marchant and counsel. No settlement was reached at that time. The issue for determination is the nature and extent of disability. Claimant counsel attempted to take the position that all areas of the body needed to be compensated separately. He presented with computations based upon his theory ranging from \$45,848.55 (Lowest based on Hufford ratings); to \$73,216.50 (Middle based upon Murati ratings) and \$75,591.00 (Highest based upon Prostic ratings). My position was based upon a prior Board decision that the ratings had to be combined into one BAW rating and the PPD would be based upon that rating and percentage. Claimant counsel felt he was correct, and I felt he was wrong and that I was correct. No settlement was reached and counsel stated he would research the law on the issue and get back with me.

I received a call from counsel stating he was in error on the understanding of the law, and he now agrees any determination is to be based upon a BAW rating and PPI/PPD computation. This is a functional only case so the only determination is the PPI percentage and the amount of PPD would be computed based upon that percentage.

The GAWW easily qualifies for the \$555.00 per week max rate. No TTD paid. The ratings are Hufford 18% BAW; Murati 32% BAW; and Prostic 30% BAW. ALJ Marchant stated at the PHSC if litigated she would most likely "average" all three ratings for PPI/PPD purposes. The "average" of the ratings is 26.7% ($18 + 30 + 32 = 80 / 3 = 26.7$). $26.7\% = 415 \times 26.7\% = 110.805 \times \$555.00 = \$61,496.78$. The high rating is Murati at 32% is \$73,704.00. The middle is Prostic at \$69,096.50. The low is Hufford at \$41,458.50.

Frankly given the ALJ's statement as to average of all three, I do not see much value in litigating as I feel the Board would affirm such a decision. Also claimant will not close out all issues and wants to agree to settlement on an open Award. Under the law the claimant cannot be forced to close issues so it will be either tried to Award with all rights and defenses left open, or an agreed to running award settlement with all rights and defenses left open.

My recommendation and request is for settlement authority for \$61,496.78 on a running Award. All would be due and owing. This is the average of the three ratings and represents the most probable result if the case is tried to Award. If we agree, we at least save the possible exposure over that amount should the Board see the case differently and also save the time and expenses of litigation estimated at \$5,000.00 to \$7,500.00.

Please consult the Board and let me know any settlement authority extended per my recommendation at your earliest convenience. Counsel has already set the Regular Hearing and Prostic and Murati depositions so we need to try to resolve this as soon as possible to save costs of defense if possible. If you have any questions please let me know. Have a good evening and holiday.

Jeff Brewer

CLAIM SUMMARY-SETTLEMENT REQUEST

Employer: City of Lucas
Claim No.: 2014048312
Employee Age: 64
AWW: \$770.66
Attorneys: Employee -No
Adjuster: Gene Miller

Date of Injury: 6/11/2014
Job Description: Electrician
Updated: 10/6/2014
TTD Rate: \$513.77
Employer -No

	Medical	Indemnity	Expense	Total
Reserves	\$10,000.00	\$305,000.00	\$2,500.00	\$317,500.00
Amount Paid	\$591.86	\$53,734.09	\$3.20	\$54,329.15
Outstanding	\$9,408.14	\$251,265.91	\$2,496.80	\$263,170.85

Accident Description/Nature of Injury:

- Claimant was moving a street light when he came in contact with an energized line and was killed.

Investigation/Compensability

- He was in the course and scope of his employment and the accident accepted as compensable.

Medical Management

- Limited medical treatment at the scene.

Periods of Disability

- Widow is entitled to 415 weeks of benefits.

Permanent Partial Impairment/Permanent Disability

- Death case.

Subrogation/Other Issues

- No source for subrogation or contribution.

Plan of Action:

- Request settlement authority to \$222,777.00
- The settlement request is based on an annuity quote to replace our obligation. I obtained the widow's medical records in hope of her qualifying for a rated age, but she did not.
- Kansas workers compensation does not have a specific discount for lump sum payment and generally approves what the parties have agreed to. My plan of action is to open with an offer of \$170,000 but be prepared to offer up to \$222,777 to conclude the case.

CLAIM SUMMARY-SETTLEMENT REQUEST

Employer: City of Coffeyville
Claim No.: 2011040613
Employee Age: 63
AWW: \$
Attorneys: Employee -Kayla Spigarelli
Adjuster: Gene Miller

Date of Injury: 2/4/2011
Job Description: Administrator
Updated: 11/20/2014
TTD Rate: \$545.00
Employer -Jeff Brewer

	Medical	Indemnity	Expense	Total
Reserves	\$22,973.84	\$250,000.00	\$25,000.00	\$297,973.84
Amount Paid	\$22,973.84	\$145,888.05	\$21,950.52	\$190,812.41
Outstanding	\$0.00	\$104,111.95	\$3,049.48	\$107,161.43

Accident Description/Nature of Injury:

- Employee slipped/fell on ice in the city's parking lot while leaving work and suffered a right ankle/knee sprain. He had numerous other health issues which lead to his death on 2/28/2011.

Investigation/Compensability

- The accident was witnessed and the ankle/knee injury not questioned. His other medical conditions and death were denied.
- His wife retained an attorney and the denial was litigated. The ALJ found the death to be compensable and an appeal was filed and upheld the ALJ decision.

Medical Management

- He was hospitalized on two occasions, the second on his passing. The courts decision on finding the claim compensable was that he developed deep vein thrombosis behind his right knee. Treatment for this condition was limited due to his other medical issues.

Periods of Disability

- NA

Permanent Partial Impairment/Permanent Disability

- Death case in Kansas has \$250,000 limit.

Subrogation/Other Issues

- No source for subrogation or contribution.

Plan of Action:

- Request settlement authority to \$91,618.61.
- We have already paid \$145,888.05, with \$104,111.95 remaining. My recommendation is that we be willing to settle the balance of the case with a lump payment less 12% discount.



LogiComp
A division of Alternative Risk Services

**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	271	969	\$ 207,176	\$ 143,297	\$ 85,332	\$ 6,193	\$ (27,645)	\$ 63,879	31%	\$ 1,518	\$ 1,286	\$ 1,239	\$ 4,043
May	181	532	\$ 280,093	\$ 174,359	\$ 86,931	\$ 2,932	\$ 15,870	\$ 105,733	38%	\$ 829	\$ 2,023	\$ 586	\$ 3,438
June	226	607	\$ 583,729	\$ 388,566	\$ 179,517	\$ 8,580	\$ 7,066	\$ 195,163	33%	\$ 955	\$ 344	\$ 985	\$ 2,284
July	219	788	\$ 167,615	\$ 109,036	\$ 54,639	\$ 2,209	\$ 1,731	\$ 58,579	35%	\$ 1,232	\$ 718	\$ 442	\$ 2,392
August	198	557	\$ 130,775	\$ 74,236	\$ 46,201	\$ 10,339	\$ -	\$ 56,539	43%	\$ 891	\$ 297	\$ 2,068	\$ 3,256
September	275	895	\$ 295,387	\$ 169,858	\$ 120,475	\$ 19,523	\$ (14,468)	\$ 125,530	42%	\$ 1,387	\$ 1,412	\$ 1,800	\$ 4,599
October	295	967	\$ 390,621	\$ 211,824	\$ 172,246	\$ 9,190	\$ (2,640)	\$ 178,797	46%	\$ 1,386	\$ 3,345	\$ 1,648	\$ 6,378
November	266	1026	\$ 332,096	\$ 187,122	\$ 107,515	\$ 27,161	\$ 10,297	\$ 144,973	44%	\$ 1,510	\$ 905	\$ 2,519	\$ 4,934
December				\$ -				\$ -	#DIV/0!				\$ -
Year To Date	2764	8995	\$ 3,351,631	\$ 1,932,375	\$ 1,203,391	\$ 141,088	\$ 74,778	\$ 1,419,256	42%	\$ 13,899	\$ 13,202	\$ 18,575	\$ 45,676

KMIT Risk Control
2014 Year to Date

Comparison by Year

Year	Severity	Frequency
2005	\$4,084,640.00	769
2006	\$2,829,034.00	765
2007	\$2,960,166.00	906
2008	\$3,480,559.00	766
2009	\$2,190,332.00	655
2010	\$3,813,728.00	666
2011	\$2,812,020.00	633
2012	\$1,775,543.00	594
2013	\$1,718,142.00	697
2014	\$2,477,001.00	698

2014 by Month

Month	Severity	Frequency
January	\$155,776.00	60
February	\$116,763.00	79
March	\$38,816.00	54
April	\$919,667.00	59
May	\$134,472.00	58
June	\$481,407.00	80
July	\$152,002.00	84
August	\$116,437.00	60
September	\$158,945.00	57
October	\$166,216.00	67
November	\$31,300.00	33
December	\$5,200.00	7
2014 Total	\$2,477,001.00	698

2014 by Dept.

Department	Severity	Frequency
Electric	\$842,080.00	38
Maintenance	\$497,906.00	67
Police	\$306,082.00	180
Street	\$226,021.00	78
Water	\$190,587.00	67
Fire	\$120,219.00	70
Park	\$70,292.00	60
Parks	\$58,486.00	10
Sanitation	\$49,551.00	36
Animal Control	\$45,464.00	14
Cemetery	\$26,360.00	6
Administration	\$11,026.00	27
Emergency	\$10,240.00	9
Miscellaneous	\$10,024.00	16
Airport	\$5,785.00	3
Recycling	\$3,173.00	5
Public Works	\$2,700.00	2
Premiere Surgical Institute	\$734.00	5
Zoo	\$271.00	5

2014 by Accident Type

Accident Type	Severity	Frequency
Heat/Cold/Burn/Scald	\$792,492.00	20
Strain or Injury By	\$674,313.00	195
Electric Shock or Burn	\$322,750.00	2
Fall or Slip Injury	\$205,226.00	115
Occupational Hazards: Rep. Motion	\$81,202.00	19
Cut/Puncture/Scrape By	\$68,859.00	71
Foreign Body in Eye	\$63,804.00	26
Struck or Injured By	\$58,954.00	41
Step/Strike Against	\$46,242.00	21
Motor Vehicle	\$39,892.00	23
Animal/Insect	\$31,388.00	54
Robbery/Assault	\$27,219.00	16
Occupational Hazards	\$19,620.00	38
Caught in or Between	\$18,639.00	24
Miscellaneous Causes	\$14,402.00	26
Struck or Injured	\$8,070.00	1
Cut/Puncture/Scrape	\$3,929.00	5
Blank	\$0.00	1

2014 Total **\$2,477,001.00** **698**

2014 Total **\$2,477,001.00** **698**

2014 Top 10 Most Expensive Claims to Date

[illegible]

Kansas Municipal Insurance Trust

Renewal: 2015 Policy Year

Excess Workers' Compensation: Quote Comparison

						Option 1 SNCC	Option 2 SNCC
Terms		2011	2012	2013	2014	2015	2015
1	SIR\Loss Limitation	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$1,000,000
2	Excess Carrier	Safety National	Safety National	Safety National	Safety National	Safety National	Safety National
3	Specific Excess Limit	Statutory	Statutory	Statutory	Statutory	Statutory	Statutory
4	Employers Liability Limit	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
5	Estimated Annual Payroll	\$165,589,773	\$161,141,204	\$162,969,573	\$183,457,567	\$198,471,155	\$198,471,155
6	Term Fund Premium	\$5,374,282	\$4,657,055	\$4,701,976	\$5,648,515	\$5,369,916	\$5,369,916
7	Deposit Premium	\$362,642	\$352,899	\$374,830	\$421,952	\$479,308	\$416,789
8	Term Minimum Premium	\$344,510	\$335,254	\$356,089	\$400,854	\$455,343	\$395,950
9	Premium Rate (per \$100 Payroll)	\$0.2190	\$0.2190	\$0.2300	\$0.2300	\$0.2415	\$0.2100
10	<i>percentage change</i>	0.00%	0.00%	5.02%	0.00%	5.00%	-8.70%
11	Percent of Fund Premium	6.75%	7.58%	7.97%	7.47%	8.93%	7.76%
12	Corridor Retention	None	None	None	None	None	None
13	Estimated Loss Fund/Aggregate	\$5,842,007	\$5,672,170	\$5,736,529	\$6,457,706	\$6,986,185	\$6,986,185
14	Percent of Fund Premium	109%	122%	122%	114%	130%	130%
15	Minimum Term Loss Fund/Agg.	\$5,549,907	\$5,388,562	\$5,449,703	\$6,134,821	\$6,636,876	\$6,636,876
16	Loss Fund Per \$100 of Payroll	\$3.528	\$3.520	\$3.520	\$3.520	\$3.520	\$3.520
17	Aggregate Excess Limit	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
18	Aggregate Loss Limit	SIR	SIR	SIR	SIR	SIR	SIR
19	Commission %	0%	0%	0%	0%	0%	0%
20	AM Best Rating	A X	A X	A X	A X	A+ XII	A+ XII

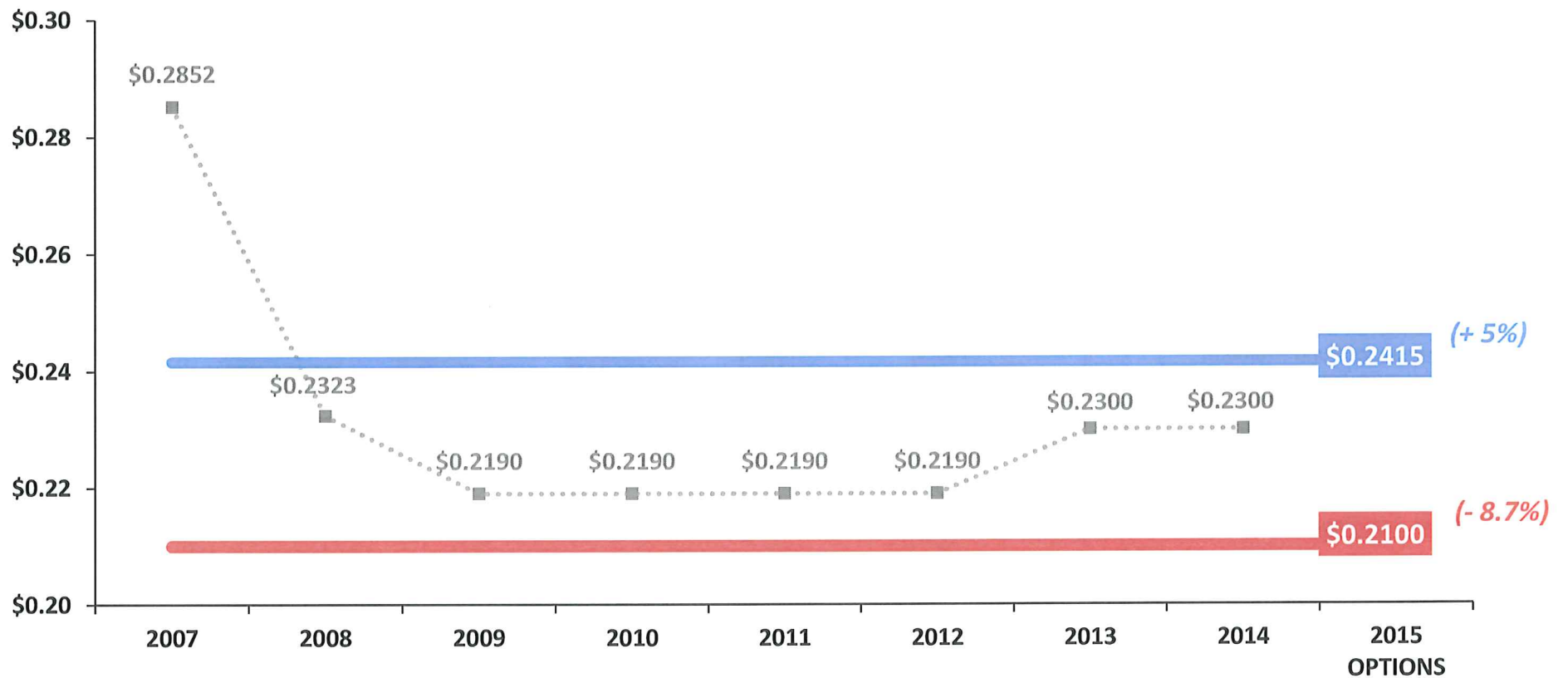
Notes: Potential differences in coverage and underwriting criteria not compared herein.

Excess WC Premium Rate Comparison

···■··· Prior Years (\$750K SIR)

— 2015 Option 1 (\$750K SIR)

— 2015 Option 2 (\$1M SIR)



Draft POLICY STATEMENT

KMIT Job Analysis Program

Three Options:

1. **Certification.** KMIT, in association with ARCPT+ (ARC+), and at each member-city's request, will work directly with the city, to 'certify' that the city's Job Analysis profile for each position has been determined to be in-line with the requirements of the **KMIT Job Analysis Certification Program**. The City will bear no cost for the KMIT-certification work done by ARC+.
 - a. The city agrees to do a KMIT-certified Job Analysis *post-offer, pre-employment* test on each new hire, through a 'program network' provider approved in advance by KMIT/ARC+;
 - b. KMIT will pay half the cost of each JA, up to a maximum of \$75 per each *post-offer, pre-employment* test;
 - c. KMIT will also use the certified job analysis test results to help determine *post-rehabilitation* job status (*ie*, "fit for full duty", "fit for modified duty", etc.), as well as any future claim settlement;
 - d. Once the city has adopted a policy of testing all new hires via a KMIT-certified Job Analysis (and through an approved provider), it will receive some special 'credit' on each annual Risk Control audit.
2. **Assistance.**
 - a. KMIT/ARC+ will provide assistance to a member city, at the city's request, to help establish a job analysis process for any/all of that city's positions;
 - b. The city is not required to formally KMIT-certify any job analysis;
 - c. The city may be asked to pay for any *extended* ARC+ services requested by the city;

d. The city may receive 'credit' for its job analysis effort on each subsequent annual KMIT Risk Control audit;

e. No pre-employment testing co-payment will be made by KMIT

3. No Participation.

a. KMIT member cities may choose not to participate in any job analysis process, without 'penalty' of any kind;

b. Cities choosing to not formally participate may, of course, contact KMIT directly with any questions related to the job analysis process;

c. Non-participating cities will be required to pay for any/all ARC+ services requested through KMIT;

d. KMIT will NOT pay any expense a city may acquire by making direct contact with ARC+ or any other similar service provider.

1Dec14 DRAFT

*in association with ARCPT+

to run
in December
Newsletter

KMIT Launches Job Analysis Program

Beginning early in 2015, KMIT will partner with **ARCPT+** (<http://arcpt.com/>) to provide an *optional* **Job Analysis Program** to its member cities. [Background stories about Job Analysis and the process KMIT has used to develop its pool-specific Job Analyses can be found in earlier *CompControl* editions, which can be located on www.KMIT.net: see Winter 2013, Spring 2014, and Autumn 2014.]

The **KMIT Job Analysis Program** is based on the concept that it is undeniably a Best Practice for every city (and any other employer) to do a (*post-offer*) **PRE-EMPLOYMENT Job Analysis test** on all of its new employees. A Job Analysis (JA) is a specially-designed physical test for the specific physical requirements of each individual position. The JA is meant to determine whether or not the person that is being hired can actually physically perform the specific motions/tasks associated with the job which she/he is being hired to do.

A regional-provider 'network' is currently being established by ARCPT+, which will feature ARCPT+ facilities in the Kansas City, Topeka and Wichita areas (to start), along with additional associated providers in other regions across the state. The network is being developed so as to have KMIT JA providers available within approximately a 50-mile radius of each/every member city (in many cases, much closer). Most of our KMIT Cities will be so served by this 'network' on the first day the program begins.

ARCPT+ representatives will meet with each city that **chooses** to join the JA Program, in order to 'smooth over' any differences in the 'standard' KMIT JA and certain jobs ("blended", etc.) that city has.

Once that coordination step has been completed, the city will be asked to agree to use a KMIT JA Program provider to do a JA for each person being offered a position with the city. The cost of a JA exam is expected to be about the same as a

standard pre-employment physical. KMIT will pay 50% of the cost of each completed KMIT Program JA, up to a maximum reimbursement of \$75 per JA.

KMIT Pool Administrator Don Osenbaugh is personally managing this Program. Please contact Don with any questions, at 316-259-3847 or dosenbaugh@cox.net.

DRAFT

Redefining Wellness from a Provider Perspective: *The Importance of a Job Analysis and Pre-Employment Testing*

There are a few "givens" that occur every year. Taxes will be due on April 15, Democrats and Republicans won't see eye-to-eye, and our state universities will argue over sports supremacy. One other "given" that will inevitably affect us all is that healthcare will look a lot different in 2014 than it does today.

In an era where healthcare premiums are increasing across all insurance lines, employers continue to search for answers on how to reduce their risk, decrease their claims, and mitigate their exposure to increased costs. Wellness is oftentimes the answer to that problem. Unfortunately, the term often conjures up images of *The Biggest Loser*, *INSANITY Workout* or Richard Simmons. But wellness doesn't have to be taken to the extreme to be effective. In fact, many of you may be doing "wellness" without even knowing it.

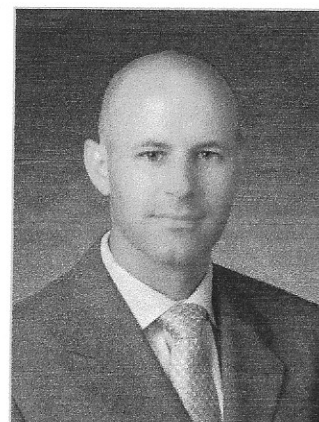
In the past, traditional wellness plans typically involved things like Health Risk Assessments (HRA's) or biometric screenings. We'd give a little blood to be told that our cholesterol was a little high; we should eat better, not smoke and exercise. Pedometers were handed out and we were instructed to "log our miles" as a show of improved health. While these methods have a lot of positives associated with them, they are not ideal.

At ARCPT+, we define wellness a little differently. In fact, we believe the comprehensive wellness model that most employers should be looking at in order to truly impact their healthcare costs is rooted in a few simple, yet often overlooked steps.

The first step is to make sure that our most valuable assets, our employees, are physically and mentally able to perform the essential functions of their jobs. In order to define the essential functions of a job and start down the pathway of wellness, it's crucial that companies have and understand the value of a job analysis (JA).

An objective, validated JA is the cornerstone of any total employee health program. It defines the essential functions of

a job by weighing, measuring, and observing the tasks necessary to accomplish work. That information is used to create a document that doesn't just define the characteristics of the job but also outlines the physical demands. This information can be used to develop post-offer employment tests, determine the restrictions that are necessary should an injury occur and decide when a person is capable of returning to work through testing such as Fit-for-Duty or Functional Capacity Evaluations (FCEs).



The development of any sound, legally defensible testing process, whether it is on the post-offer or return-to-work sides of the equation, is based on the necessity of having a job analysis. Having a job analysis for each position in your company is wellness. Using the JA to develop Post-Offer Employment Testing in order to hire folks that are physically capable of performing your jobs is wellness. Using a JA to make better return-to-work decisions is wellness. Holding your providers accountable to using the information in a JA to streamline their services is wellness.

Wellness doesn't have to be scary. It doesn't have to be limited to pedometers and it doesn't need to break the bank. Wellness is using information to make the best healthcare decisions on behalf of your employees...that's ARCPT+'s definition of wellness.

Brian Stewart is the Chief Marketing and Acquisitions Officer for ARC Physical Therapy +, Kansas City and Wichita. Brian can be contacted at bstewart@arcpt.com or 913-972-8053.

Special Partnership Pilot Project Announced by KMIT

At its meeting in Hillsboro on February 21, the KMIT Board of Directors voted unanimously to approve a special "Pilot Project", which will partner KMIT with **ARC Physical Therapy+ (ARC+)** [www.arcpt.com].

In its December (2013) *CompControl* (the KMIT newsletter, see www.kmit.net), KMIT featured ARC+, and the concepts/processes involved, in *The Importance of a Job Analysis and Pre-Employment Testing*.

Now, KMIT will partner with ARC+, to develop such a program as part of the services of KMIT. To that end, ARC+ will begin work with KMIT member city **Wellington**, toward the establishment of a pilot project, which will, ultimately, provide KMIT cities with the option of making even better decisions about which applicant is most physically capable of doing the job you have, and then establishing job-specific parameters for each new employee, in the jobs they are being hired to do. After that, post-injury wellness would include specific therapy related to each job and to each individual employee.

The first step in the Pilot Project will be developing a specific job analysis for each of the majority of class codes (types of jobs) in the KMIT pool, toward which the City of Wellington will provide the 'takeoff platform', and provide its experience and expertise, along with a significant investment of time and effort.

It is expected that work on this Pilot Project will start sometime in March.

Look for updates on this project in each upcoming *CompControl*, and in periodic posts on www.kmit.net.

Spring 2014



"The Plain Truth About Risk Management"

2014 MO/KS PRIMA Conference

April 23-25, 2014

Overland Park DoubleTree

Keynote Speaker

Bernie Hayen*: "The Truth About Ethics"

Session Topics include:

- The National Flood Insurance Program (NFIP)...A Time of Change
- Moneyball for Risk Managers: Harnessing the Power of Predictive Analytics
- Surety Bonds—The How and Why
- Concussions in the Workplace
- Is Your Property Adequately Insured?
- Legislative Developments in Kansas and Missouri
- A New Look at Negligence
- Covering the Bases When Claims Happen
- Trending Claim Issues Affecting Public Entities

For registration details, go to <http://kansasprima.org/>

*Bernie is the "Father" of KMIT. Bernie developed KMIT and was its first Pool Administrator

KMIT/ARCPT+ Job Analysis 'Pilot Project' Progress

Following approval by the KMIT Board of Trustees in February of this year, KMIT and ARCPT+ (www.arcpt.com) have been working together on what we have been calling 'the pilot project,' toward the establishment of an (optional) **Job Analysis** standardized process for the KMIT pool of cities. (See prior CompControl articles in the Winter [December] 2013 and Spring [March] 2014 editions.)

Over the summer, the team from 'ARC+' has been working with the **City of Wellington** (chosen by KMIT staff because of a number of city trait variables) to develop a specific Job Analysis for each of the *thirteen most common positions (class codes)* in the KMIT pool. Wellington City Clerk **Shane Shields** and HR Director **Jerry Zoglmann**, along with other city staff members, have been terrific partners in this endeavor. That phase of the project is now complete.

Starting in mid-September, those prospective employees being chosen to fill vacant (or new) spots with the City of Wellington will be required to be tested through the KMIT/ARC+ Job Analysis (JA) process on a **post-job-offer** basis.

During this next phase of the project, KMIT and ARC+ will be developing other aspects of the overall process, toward implementation of the system for the rest of the pool, hopefully starting in early 2015.

Currently, the 'rollout' is expected to be on a regional basis, and will require each city (which so chooses) to work with ARC+ on any modifications of the JA's which may be necessary to match up with what employees in that city actually do. This aspect is not expected to be lengthy or complicated for member cities.

As cities voluntarily come into this new process, each will be agreeing to work with KMIT and ARC+ to *post-offer test each new employee*. The city will use the results to determine whether/if each person being considered for employment is physically able to do the job for which they are being hired. KMIT will then be able to gauge when a person can return to work after being injured, and in what physical capacity, and also be able to determine the extent of any subsequent job-related permanent injury—as a result of the 'baseline' established through the initial job analysis testing.

We expect to be able to announce the timing of the regionally-based, pool-wide introduction of this important and valuable hiring aid to KMIT members by the close of 2014.

In This Issue

What To Look For:

- Fall Pilot Program
- Farewell to Herb, Larry & Deb
- Renewal Application
- News & Notes
- Safest Cities
- KMIT Injury Stats
- KMIT Balance Sheet
- First Edition Reprint
- Honors to 20-Year & 10-Year Members

Kansas Municipal Insurance Trust

Coverage Renewal: Trustees E&O Insurance for Self Insured Funds

Coverage Comparison

				2015 Policy Quote					
Terms	2011 Policy	2012 Policy	2014 Policy	\$10K Deductible	\$10K Deductible	\$10K Deductible	\$25K Deductible	\$25K Deductible	\$25K Deductible
Policy Term:	9/10/11-12	9/10/12-1/1/14	1/1/14-15	1/1/15-16	1/1/15-16	1/1/15-16	1/1/15-16	1/1/15-16	1/1/15-16
Coverage:	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds	Trustees E&O for Self Insured Funds
Carrier:	Lloyd's of London	Lloyd's of London	Lloyd's of London	Lloyd's of London	Lloyd's of London	Lloyd's of London	Lloyd's of London	Lloyd's of London	Lloyd's of London
Policy Form:	Claims Made	Claims Made	Claims Made	Claims Made	Claims Made	Claims Made	Claims Made	Claims Made	Claims Made
Retroactive Date:	9/10/2004	9/10/2004	9/10/2004	9/10/2004	9/10/2004	9/10/2004	9/10/2004	9/10/2004	9/10/2004
Limits of Liability:									
Per Claim	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$4,000,000	\$5,000,000	\$3,000,000	\$4,000,000	\$5,000,000
Aggregate	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$4,000,000	\$5,000,000	\$3,000,000	\$4,000,000	\$5,000,000
Disciplinary Proceeding Claims Expense	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Deductible:									
Per Claim	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$25,000	\$25,000	\$25,000
Aggregate	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$50,000	\$50,000	\$50,000
Premium:	\$14,553.00	\$19,032.00	\$14,553.00	\$14,780.00	\$16,670.00	\$18,182.00	\$14,449.00	\$16,339.00	\$17,850.00
TRIA/ Terrorism:	Declined	Declined	Declined	Declined	Declined	Declined	Declined	Declined	Declined
Fees:	\$500.00	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Surplus Lines Tax:	\$903.18	\$1,171.92	\$903.18	\$886.80	\$1,000.20	\$1,090.92	\$866.94	\$980.34	\$1,071.00
Total:	\$15,956.18	\$20,703.92	\$15,956.18	\$15,666.80	\$17,670.20	\$19,272.92	\$15,315.94	\$17,319.34	\$18,921.00

2015 KMIT Estimated Operating Budget

Adopted 12/12/14

	2012 Actual [3]	2013 Budget	2013 Actual	2014 Budget	2014 Est YE	2015 Draft
Revenues						
Premium Payments [1] [4] [5]	4,484,533	5,012,000	4,802,707	5,800,000	5,524,000	5,640,000
Investment Income	70,104	75,000	71,861	72,000	225,000	225,000
Other	-	3,000	-	-	-	-
Total Revenues	4,554,637	5,090,000	4,874,568	5,872,000	5,749,000	5,865,000
Administrative Expenses						
Operational						
Meetings and Travel	4,881	15,000	19,334	16,000	20,000	20,000
Commissions to Independent Agents	98,144	100,000	102,636	95,000	98,695	100,000
Directors and Officers (E&O) Insurance	16,488	16,000	17,224	18,000	18,000	18,000
Miscellaneous Expense and Cancellation Expense		3,000	-	3,000	-	-
Other Marketing, Contingency, Outside Legal Expense, etc.	3,614	8,000	4,075	5,000	5,000	5,000
Bank Fees	4,159	1,000	7,528	5,000	7,500	8,000
Office Supplies, Web Services, etc.	2,299	5,000	4,493	5,000	5,000	5,000
Job Analysis Testing	NA	NA	NA	NA	NA	19,000
Operational Sub Total	129,585	148,000	155,290	147,000	154,195	175,000
Contractual						
Pool Administration Contract	230,004	76,000	75,600	78,000	81,120	90,000
Endorsement Fee--LKM	-	70,000	70,000	70,000	70,000	70,000
Claims Management Services (IMA)	185,000	-	-	-	-	-
Risk Control Services (IMA)	145,000	-	-	-	-	-
Risk Management Services (IMA)	70,000	-	-	-	-	-
Risk Control and Insurance Placement Services (IMA)	-	195,000	195,000	-	-	-
Risk Mgt, Administrative and Claims Mgt Services (CORnerstone)	-	310,000	310,000	-	-	-
Risk Mgt, Administrative, and Claims Mgt Serv's (CORnerstone)	-	-	-	505,000	505,000	530,000
Payroll Audits	16,318	19,000	19,000	22,000	22,000	22,000
NCCI Membership and Rating Fee and Financial Audit	20,978	30,000	30,606	23,000	23,000	23,000
Actuarial Study	14,500	14,000	14,250	15,000	15,000	15,000
ARCPT+ 'Pilot Project'	-	-	-	-	9,671	-
ARCPT+ Services	-	-	-	-	-	10,000
Contractual Sub Total	681,800	714,000	714,456	713,000	725,791	760,000
Regulatory						
Annual Premium Tax (KID)	43,445	45,000	47,735	48,000	48,000	48,000
State Fees and Assessments (KDOL and KID)	109,044	90,000	26,221	115,000	115,000	115,000
Regulatory Sub Total	152,489	135,000	73,956	163,000	163,000	163,000
Total Administrative Expenses	963,874	997,000	943,702	1,023,000	1,042,986	1,098,000
Excess Insurance Expense	337,121	400,000	395,840	425,000	425,000	480,000
AVAILABLE FOR CLAIMS	3,253,642	3,693,000	3,535,026	4,424,000	4,281,014	4,287,000
	2012 Actual	2013 Budget	2013 Actual	2014 Budget	2014 Est YE	2015 Draft
Administrative Expenses / Revenue [2]	21.2%	19.6%	19.4%	17.4%	18.1%	18.7%
Available for Claims / Revenue	71.4%	72.6%	72.5%	75.3%	74.5%	73.1%
Administrative + Excess Insurance / Revenue	28.6%	27.4%	27.5%	24.7%	25.5%	26.9%

[1] Final premium is determined during the annual financial audit. FY 2014 will be audited in early 2015, therefore 2014 Est YE is pre-audit.

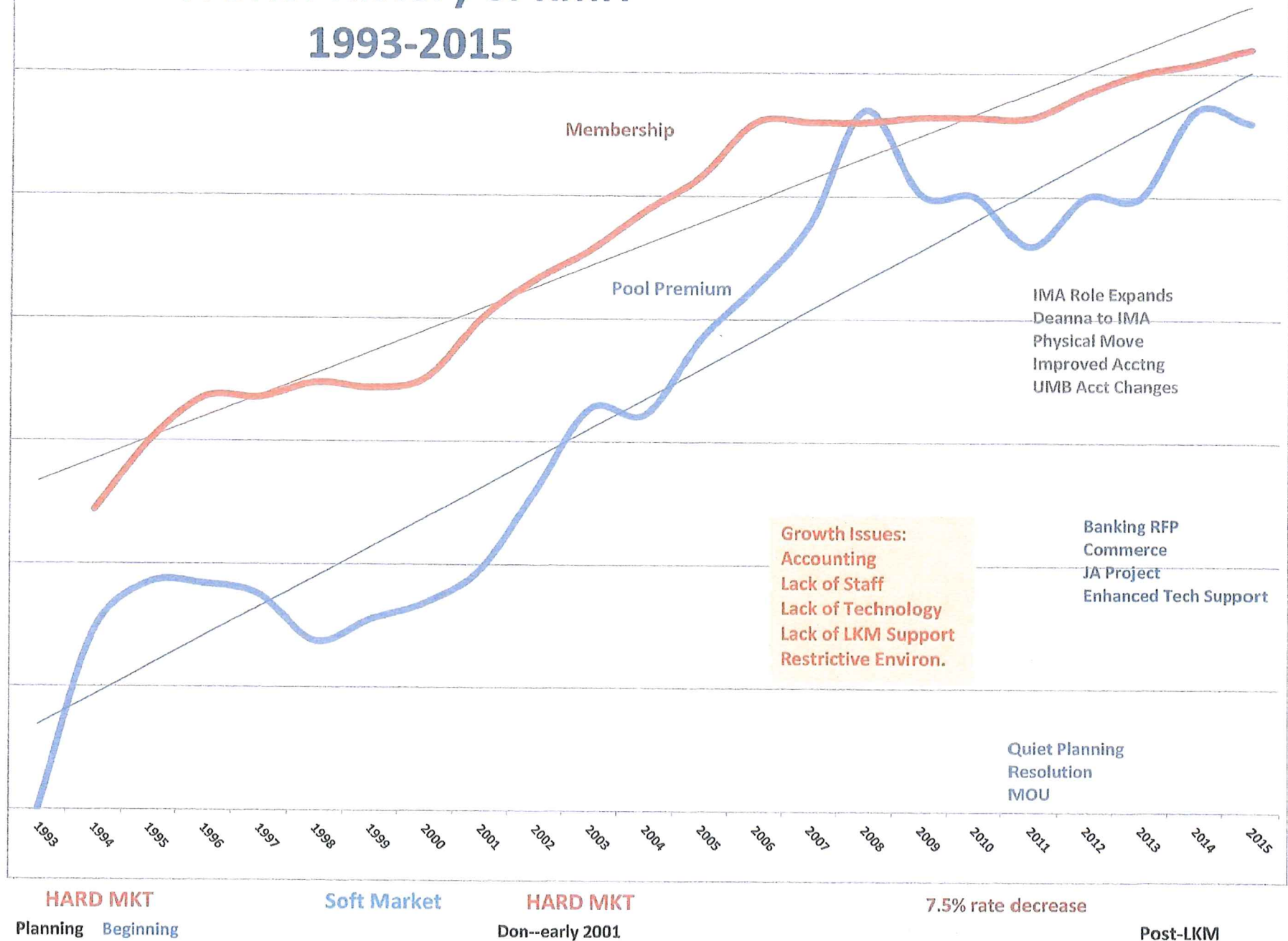
[2] Must not exceed 30% (by regulation). Excess coverage premium is interpreted by KID **NOT** to be an administrative expense.

[3] 2012 was the last year under the LKM-based structure.

[4] Projected audit difference for 2014 premium is (\$250,000). Unaudited 2014 premium is \$5,774,000.

[5] 2015 premium is the actual estimated, as billed

A Brief History of KMIT 1993-2015



MEMORANDUM OF UNDERSTANDING

8th This Memorandum of Understanding (Memorandum) is made and entered into as of the June day of June, 2012, by and between League of Kansas Municipalities (LKM), and the Kansas Municipal Insurance Trust (KMIT).

WHEREAS, LKM and KMIT have adopted a Resolution of Intent to reorganize their business relationship; and,

WHEREAS, both LKM and KMIT desire to set forth their respective responsibilities going forward under the new business arrangement;

NOW THEREFORE the parties do hereby agree as follows:

1. **Term.** This Memorandum will become effective 12:01 AM, January 1, 2013 and terminate 12:01 AM, January 1, 2018. Upon expiration of the term of this Memorandum, no further services will be provided by either party unless or until this memorandum is extended in writing upon such terms conditions as the parties agree.
2. **Assignment.** This Memorandum may not be assigned by either party. Nothing in the Memorandum is intended to nor shall confer upon any person or legal entity other than LKM or KMIT any rights or remedies under or by reason of this Memorandum.
3. **Anti-Discrimination Clause.** LKM and KMIT agree: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001 *et seq.*) and the Kansas Age Discrimination in Employment Act, (K.S.A. 44-1111 *et seq.*) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101 *et seq.*) [ADA] and to not discriminate against any person because of race, religion, color, sex, disability, national origin or ancestry, or age in the admission of access to or treatment or employment in, its programs or activities; (b) to include in all solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) to comply with the reporting requirements set out in K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if either party is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract; (f) if the contracting agency determines that either party has violated applicable provisions of ADA, that violation shall constitute a breach of contract; (g) if (e) or (f) occurs, the contract may be cancelled, terminated or suspended in whole or in part by either party.
4. **Entire Agreement.** This Memorandum represents the entire understanding and agreement of the parties hereto with respect to the subject matter hereof, supersedes all prior negotiations between such parties, and cannot be amended, supplemented, or modified except by an agreement in writing signed by the party or parties against whom enforcement is sought and making specific reference to in this Memorandum. In the event any one or more of the provisions contained in this Memorandum or any application thereof shall be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions of the Agreement and any other application thereof shall not in any way be affected or impaired thereby.
5. **Jurisdiction.** This Memorandum shall be governed by and construed in accordance with the laws of the State of Kansas applicable to contracts made in that state.

6. KMIT Duties.

- a. KMIT will pay LKM a total of \$70,000 per year for five years, payable in quarterly installments of \$17,500 due January 1, April 1, July 1, and October 1. LKM will invoice KMIT in advance of the due date.
- b. Membership in LKM will remain a prerequisite for membership in KMIT, and this requirement will remain in the KMIT bylaws.

7. LKM Duties.

- a. KMIT may use the current LKM logo on KMIT stationery, brochures, business cards, the KMIT website, and other KMIT materials for the purpose of demonstrating LKM's endorsement of KMIT.
- b. LKM will provide KMIT a full-page advertisement in the Kansas Government Journal each month, the placement location of the advertisement and the content subject to LKM's editorial control. Such advertisement shall include the LKM logo and reference to LKM's endorsement. Provided, however, LKM will guarantee KMIT either the inside front cover or the inside back cover at least four times per year.
- c. LKM will include a listing for KMIT in the Annual Conference Vendor/Sponsor guide.
- d. LKM will print the KMIT logo on KMIT member cities' registrant badges at the annual conference.
- e. LKM will transfer the ownership of the computer now used by Deanna Furman to KMIT.
- f. LKM will transfer the ownership of the LCD projector and the cellular phone currently used by Don Osenbaugh to Don Osenbaugh. If presented the proper form to consent to the portability of the phone number currently assigned to Don Osenbaugh, 316-259-3847, LKM will sign such consent.
- g. All KMIT files and information will remain the property of KMIT.
- h. KMIT will continue to own the domain name www.KMIT.net.
- i. Don Osenbaugh and Deanna Furman will continue to have access to the filing cabinets and office space housing KMIT materials during 8:00 a.m. to 5:00 p.m. business hours through March 31, 2013, for the purpose of removing such files and materials. LKM office keys, however, will be surrendered by Deanna Furman and Don Osenbaugh prior to January 1, 2013.
- j. LKM will forward any correspondence received at 300 SW 8th Ave., Topeka, KS, addressed to KMIT, to an address provided by KMIT for an indefinite time.
- k. LKM will set both Don Osenbaugh's and Deanna Furman's LKM email addresses to be forwarded to email addresses provided to LKM through March 31, 2013.
- l. Suitable space for KMIT's annual meeting at LKM's annual conference will be provided without charge by LKM. KMIT will be responsible for all other expenses of the meeting, including but not limited to, food, beverages and any audio-visual equipment and services.
- m. KMIT will be provided a complimentary Municipal Business Associate Extended Package. As a benefit of such membership, KMIT will receive the following:
 - 1. One subscription to the *Kansas Government Journal*.
 - 2. One copy of the *Directory of Kansas Public Officials*.
 - 3. LKM's League News.
 - 4. An online listing in the Business Links section of the LKM website.
 - 5. A listing in the Municipal Products & Services Guide.
 - 6. Two complimentary full registrations for the annual LKM Conference.

7. An Annual Conference Exhibit Booth. KMIT shall notify LKM by August 1 of each year if it intends to utilize the opportunity for a booth.

n. In addition to the above-referenced benefits, KMIT will receive two more subscriptions to the *Kansas Government Journal* and three more copies of the *Directory of Kansas Public Officials*.

o. LKM shall remain a member of the KMIT pool for workers compensation insurance during the term of this Memorandum of Understanding.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representatives as of the date first above written.

“KMIT”

Kansas Municipal Insurance Trust

By: Larry Paine 4/30/12

Larry Paine, President
Kansas Municipal Insurance Trust

“LKM”

League of Kansas Municipalities

By: Don Moler 6/18/12

Don Moler
Executive Director

Osenbaugh Personal Services Agreement

AMENDMENT, August 22, 2014

The Personal Services Agreement between KMIT and Don Osenbaugh (original, effective date of 12-21-12, attached) was amended by unanimous action of the KMIT Board of Trustees, on August 22, 2014 (see attached minutes).

Per that amending action, the contract amounts of the original agreement become as follows:

September 1, 2014 through December 31, 2014: \$7,280/mo

January 1, 2015 through December 31, 2015: \$7,480/mo

January 1, 2016 through December 31, 2016: \$7,680/mo

January 1, 2017 through December 31, 2017: \$7,880/mo

Personal Services Agreement

This Personal Services Agreement (Agreement) is entered into this 21st day of December, 2012, by and between Kansas Municipal Trust (hereinafter called "KMIT" (Corporation), and Donald Osenbaugh, or any prospective corporation or partnership of which Mr. Osenbaugh is a principal or partner, an independent contractor (Contractor), in consideration of the mutual promises made herein, as follows:

RECITALS

Term of Agreement

This Agreement will become effective on the 1st day of January, 2013, and will continue in effect until: December 31, 2017.

Scope of Services to be Rendered by Contractor

Contractor agrees, concerning participation by Kansas Municipalities in KMIT insurance programs, to act as the Pool Administrator and to facilitate: Marketing, retention of participants, general administration (renewals, record-keeping, contracting, etc.), oversight of operations, coordination of services with TPA (IMA), financial management, (banking, coordinating with auditors, payroll auditors, actuaries, etc.), regulatory compliance, production of training seminars and materials, publishing of newsletters, and maintaining an organization website, raising awareness of KMIT and KMIT programs by the representation of KMIT through attendance at professional conferences, by participation in industry organizations (ex. KSIA), and speaking at industry seminars.

Compensation

In consideration for the services to be performed by Contractor, KMIT agrees to pay Contractor monthly, adjusted annually as indicated, for services performed according to the following schedule:

January 1, 2013	\$6,300.00/monthly
January 1, 2014	\$6,500.00/monthly
January 1, 2015	\$6,700.00/monthly
January 1, 2016	\$6,900.00/monthly
January 1, 2017	\$7,100.00/monthly

Tools and Instruments

Contractor will supply office space, insurance, tools, equipment, and all supplies required to perform the services under this Agreement.

Non-Exclusive Relationship

Contractor may, unless there is a conflict of interest, offer his services regarding similar services to other businesses, organizations, or to the public generally. It is the expectation of the parties that KMIT will not be the Contractor's sole client or customer.

Employees

Contractor may, at his discretion, hire employees to assist him in the completion of services under this contract. Contractor agrees that all legal requirements, including but not limited to, insurance, bonding, adherence to government regulations, and taxation issues shall be the sole responsibility of the Contractor.

Insurance

Contractor agrees to maintain a policy of insurance in the minimum amount of One Million Dollars (\$1,000,000) to cover any negligent acts committed by Contractor or Contractor's employees or agents during the performance of any duties under this Agreement. Contractor further agrees to hold Corporation free and harmless from any and all claims arising from any such negligent act or omission.

Reimbursements

Contractor will be reimbursed for all personal expenses associated with the operations of the pool, including, but not necessarily limited to: business mileage at the IRS rate; lodging and meals; marketing expenses; miscellaneous office supplies; Expenses associated with the pool administrator's attendance at various "in-state" professional conferences and seminars pertaining to "city" and pool affairs such as KSGFOA, CCMFOA, KACM, etc. and expenses related to professional boards and committees at which the pool administrator directly represents KMIT like PRIMA, KSIA, etc. will also be reimbursed. In all cases, the current KMIT President shall approve all reimbursements submittals.

Contractor will not be reimbursed for office space, cell phone purchase or usage, or for any office equipment used in conjunction with the operation of the pool. Attendance at national conferences is also not considered a reimbursable expense, unless Contractor is specifically requested by the Board of Trustees to attend such a conference as a representative of KMIT.

All reimbursed expenses shall be added to the 1099 IRS statement provided to Contractor at the end of each year.

This agreement presumes that the current KMIT President has the authority to approve reimbursable expenses which may come up which are not specifically contemplated in this agreement, but which, in the judgment of the President, fall within the intent of those allowable area listed above.

Obligations of Corporation

Corporation agrees to meet the terms of all reasonable requests of Contractor necessary to the performance of Contractor's duties under this Agreement.

Assignment

Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Corporation or Contractor without the prior written consent of Contractor and Corporation.

Termination of Agreement.

Notwithstanding any other provisions of this Agreement, either party hereto may terminate this Agreement at any time by giving 6 months written notice to the other party.

GENERAL PROVISIONS

Notices

Any notices to be given hereunder by either party to the other may be effected either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing in the introductory paragraph of this Agreement, but each party may change that address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of the date of actual receipt; mailed notices shall be deemed communicated as of three (3) days after the date of mailing.


Entire Agreement

This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the performance of services by Contractor for Corporation, and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any parties, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing signed by the party to be charged.

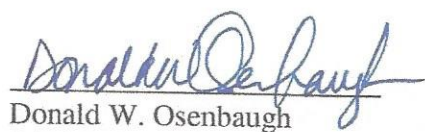
Partial Invalidity

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

Governing Law This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.


Larry Paine, KMIT President
118 E. Grand
Hillsboro, KS 67063

Date: 12/21/2012



Donald W. Osenbaugh
1631 E. James St.
Derby, KS 67037

Date: 12/21/2012

KANSAS MUNICIPAL INSURANCE TRUST

Conflict of Interest Statement, December 2014—December 2015

(for Trustees of KMIT)

No member of the KMIT Board of Trustees, or any of its Committees, if appointed, shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with KMIT. Each individual shall disclose to KMIT any personal interest that he or she may have in any matter pending before KMIT and shall refrain from participation in any decision on such matter.

Any member of the KMIT Board of Trustees shall refrain from using any list of KMIT cities or workers compensation claimants for personal or private solicitation purposes at any time during the term of their affiliation.

At this time, I am a Board member, a committee member, or an employee of the following organizations:

Now this is to certify that I, except as described below, am not now nor at any time during the past year have been:

1) A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party; doing business with KMIT which has resulted or could result in personal benefit to me.

2) A recipient, directly or indirectly, of any salary payments or loans or gifts of any kind or any free service or discounts or other fees from or on behalf of any person or organization engaged in any transaction with KMIT with the exception of its member cities.

Any exceptions to 1 or 2 above are stated below with a full description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the persons or organizations having transactions with KMIT.

Date: _____

Signature: _____

Printed Name: _____

Revised 15Oct13

KMIT Board of Trustees Meeting Dates/Sites for 2015

February 27...Ellsworth

May 1...Moundridge

June 26...Pittsburg

August 28...Hays (Schlaegel hosting)

October 11 (Sunday)...Topeka (during LKM Conf)

December 11...Bel Aire

Don Osenbaugh

From: Mike O'Neal [mikeo@kansaschamber.org]
Sent: Friday, October 31, 2014 1:43 PM
To: Brent Sonnier; Cindy Luxem; Dan Osenbaugh; Don McNeely; Dorothy Pope; Doug Hamilton; Doug Irmen; Ed Reasoner; Jim Parrish; JMcWilliams@KHA-net.org; Kathy Taylor; Kevin McFarland; Lance Cowell; Luke Bell; Matt Wiltanger; Mike Waters; Ray Merz; Sarah Hooke; Tina Cox; Tom Steele
Cc: janetstubbs1@gmail.com; Shannon Holmberg; Marsha J. Schrag
Subject: Fee Sweep case status

Fee sweep case participants

This is to advise that the Kansas Supreme Court has finally scheduled us for oral argument in our case for Dec. 10, 2014 on the morning docket in Topeka. Argument is limited to 15 minutes per side. The sole issue on the State's Petition for Review relates to the standing issue, i.e., whether any or all of the Plaintiffs have legal standing to attack the fee sweeps in question. Following oral argument, the Court will take the matter under advisement and will issue a written opinion at some undetermined time in the future. It is unfortunate that the appellate system has taken so long to decide, but at least we now have something concrete to report.

Mike O'Neal
GILLILAND & HAYES, L.L.C.
mikeo@kansaschamber.org
620-727-0003

KMIT Trustee Terms, 2001-Present*

pos	Name	City	Title	Appointed	Elect 1	Elect 2	Elect 3	Elect 4	term limit date	End Date
1	Gary Meagher	Lindsborg	City Administrator	Jun-98						Aug-98
1	Ron Pickman	Goodland	City Manager	N/A	Oct-98	Oct-00	Oct-02			Oct-04
1	Cheryl Beatty	Eudora [3]	City Manager	N/A	Oct-04	Oct-06	Oct-08			Apr-09
1	Herb Llewellyn	El Dorado	City Manager	Jun-09	Oct-09 [1]	Oct-10	Oct-12			Oct-14
1	David Dillner	Abilene	City Manager	N/A	Oct-14	Oct-16	Oct-18		Oct-20	
2	Nancy Calkins	Ft. Scott	City Clerk	N/A	Oct-00					May-01
2	Keith DeHaven	Sedgwick	Mayor	Jun-01	Oct-01	Oct-03	Oct-05			Jun-07
2	Sasha Stiles	Andover	City Administrator	N/A	Oct-07	Oct-09	Oct-11			Oct-13
2	Kathy Axelson	Rose Hill	City Administrator	N/A	Oct-13					Mar-14
2	Randy Frazer	Moundridge	City Adm/City Clerk	May-14	Oct-14 [1]	Oct-15	Oct-17	Oct-19	Oct-21	
3	Cherise Tieben	Dodge City	HR Director	Jun-99	Oct-00					Oct-01
3	Larry Kenton	Dodge City	Risk Mgr	Oct-01?	Oct-01*					Apr-02
3	Howard Partington	Great Bend	City Administrator	Apr-02	Oct-02	Oct-04	Oct-06			Oct-08
3	Jane Longmeyer	Dodge City	HR Officer	N/A	Oct-08	Oct-10	Oct-12			Dec-08
3	Daron Hall	Ulysses	City Administrator	Jun-09	Oct-09 [1]	Oct-10				Mar-12
3	Tim Hardy	Elkhart	City Administrator	Jun-12	Oct-12	Oct-14	Oct-16		Oct-18	
4	Mark Arbuthnot	Abilene	City Manager	?	?					Oct-01
4	Carol Eddington	Oswego	Deputy City Clerk	N/A	Oct-01	Oct-03	Oct-05			Oct-07
4	Bobby Busch	Neodesha	City Clerk	N/A	Oct-07	Oct-09	Oct-11			Oct-13
4	Tim Vandall	Ellsworth	City Administrator	N/A	Oct-13	Oct-15	Oct-17		Oct-19	
5	Paul Sasse	Independence	City Manager	?	?					Oct-01
5	Cheryl Lanoue	Concordia	City Clerk	N/A	Oct-01	Oct-03	Oct-05			Aug-06
5	Sharon Brown	Clay Center	Mayor	N/A	Oct-06 [1]	Oct-07	Oct-09			Apr-11
5	Debbie Price	Marysville	City Clerk	Apr-11	Oct-11	Oct-13	Oct-15		Oct-17	
6	Jane Henry	Derby	Environ/Safety Dir	N/A	Oct-96	Oct-98				May-00
6	Shawne Boyd	Derby	HR Coord	?-00	Oct-00					Oct-02
6	David Alfaro	Augusta	Assist. City Mgr.	N/A	Oct-02	Oct-04				Apr-06
6	Steve Archer	Arkansas City	City Manager	Apr-06	Oct-06	Oct-08	Oct-10			Dec-10
6	Debra Mootz	Roeland Park	City Clerk/DOF	Dec-10	Oct-11 [1]	Oct-12				Aug-14
6	Nathan McCommon	Tonganoxie	City Administrator	N/A	Oct-14	Oct-16	Oct-18		Oct-20	
7	Max Mize	Kingman	Mayor	N/A	Oct-96	Oct-98	Oct-00			Apr-01
7	Gary Hobbie	Russell	City Manager	Jun-01	Oct-01*	Oct-02	Oct-04	Oct-06		Oct-07
7	Larry Paine	Hillsboro	City Administrator	N/A	Oct-07 [1]	Oct-08	Oct-10	Oct-12		Oct-14
7	Kerry Rozman	Clay Center	City Clerk	N/A	Oct-14	Oct-16	Oct-18		Oct-20	
8	Ted Stolfus	Bonner Spgs	Mayor	May-97	Oct-99					Apr-01
8	Nancy Calkins	Mission	City Clerk	Jun-01	Oct-01*	Oct-02				Oct-04
8	Ty Lasher	Cheney	City Administrator	N/A	Oct-04	Oct-06				Jun-07
8	Toby Dougherty	Hays	City Manager	Jun-07	Oct-07 [1]	Oct-08	Oct-10			Oct-11
8	Keith Schlaegel	Stockton	City Manager	N/A	Oct-11 [1]	Oct-12	Oct-14	Oct-16	Oct-18	
9	Carl Myers	Wellington	City Manager	Jul-97	Oct-97	Oct-99				Oct-01
9	Rhonda Schuetz	Hiawatha	City Clerk	N/A	Oct-01	Oct-03				Sep-04
9	Lana McPherson	De Soto	City Clerk	N/A	Oct-04 [1]	Oct-05	Oct-07	Oct-09		Oct-11
9	Clausie Smith	Bonner Spgs	Mayor	N/A	Oct-11					Apr-13
9	Fred Gress	Parsons	City Manager	Apr-13	Oct-13					Aug-14
9	Ty Lasher	Bel Aire	City Manager	N/A	Oct-14 [1]	Oct-15	Oct-17	Oct-19	Oct-21	
10	Tim Richards	Newton	Commissioner	Jul-97	Oct-97					Apr-99
10	Willis Heck	Newton	Mayor	May-99	Oct-99	Oct-01				Oct-03
10	Linda Jones	Osage City	City Clerk	N/A	Oct-03	Oct-05	Oct-07			Oct-09
10	Doug Gerber	Goodland	City Manager	Oct-09	Oct-11	Oct-13				Apr-14
10	Megan Fry	Pittsburg	HR Director	Apr-14	Oct-14 [1]	Oct-15	Oct-17	Oct-19	Oct-21	
11	Jim Beadle	De Soto	Mayor	Jan-94	?					Jan-97
11	Kelly DeMeritt	Atchison	Assist. City Mgr	May-97	Oct-97	Oct-99	Oct-01			Oct-03
11	Bill Powers	Ulysses	City Administrator	N/A	Oct-03					Jan-04
11	Bud Newberry	Derby [2]	City Planner	Jan-04	Oct-04*	Oct-05	Oct-07			Oct-09
11	Mac Manning	Peabody	City Adm/Clerk	Oct-09	Oct-11					Dec-12
11	Michelle Stegman	Garden City	HR Director	Jan-13	Oct-13	Oct-15	Oct-17		Oct-19	

[1] one-year term

[2] appointed to Board while at Elkhart (Jan. '04); moved on to Ulysses in June '04; moved on to Derby in Dec '07

[3] first elected to the Board while in Kingman; moved on to Eudora in July '05