



# Board of Trustees

**Board Meeting**

**April 28, 2017**

**Marysville, Kansas**

Marysville City Hall

209 N. 8<sup>th</sup> Street

9:00 AM

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

**9:00 AM, Friday, April 28, 2017**

**City Hall\*, Marysville, KS**

1. Welcome, Introductions and Call To Order (President Debbie Price)
2. Trustee Absences from Meeting (Price)
3. Minutes from February 24, 2017 (Price)
4. Financial Reports (Kifer)
  - a. February 28, 2017 Financials
  - b. March 31, 2017 Financials
  - c. 'Audited' Fourth Quarter (12/31) 2016 KID Report
  - d. First Quarter (3/31) 2017 KID Report
  - e. March 31, 2017 Cash and Investment Summary
5. TRISTAR Presentation (Jason Shultz, et al)
6. Settlement Authority & Reserve Advisory (Miller)
7. Loss Control Activities (Rhodes)
8. By-Laws Amending Process--Update (Frazer/Osenbaugh)
9. New Cities Presentation/Marketing Update (Osenbaugh)
10. Staff Reports
11. Other Business
12. Adjourn (approximately 12:00 Noon)

\*209 N. 8th

# Kansas



Kansas Department Of Transportation  
Bureau Of Transportation Planning  
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# KANSAS MUNICIPAL INSURANCE TRUST

## Board of Trustees Minutes from February 24, 2017

*Unapproved*

**Meeting Convened:** Friday, February 24, 2017, at the offices of AG360 Insurance Agency, in Moundridge, KS. The meeting was called to order by KMIT President Debbie Price at 9:06 AM.

**Members Present:** *Board Members Present:* President Price (Marysville), Vice President Randy Frazer (Moundridge), Treasurer David Dillner (Abilene), Immediate Past President Tim Hardy (Elkhart), Kerry Rozman (Clay Center), Ty Lasher (Bel Aire), Michael Reagle (Garden City), Janie Cox (Haysville), Carey Steier (Pittsburg), Keith Schlaegel (Stockton), and Michael Webb (Edwardsville) *Staff:* Paul Davis (CORnerstone), Gene Miller (TRISTAR), Jess Cornejo (CORnerstone), Deanna Furman (CORnerstone), Barbie Kifer (CORnerstone), Chris Retter (IMA) and Don Osenbaugh (KMIT Pool Administrator). *Guest:* Greg Nelson (Commerce Bank).

**Members Absent From Meeting:** None.

**Minutes: December 16, 2016, Wichita (IMA):** Motion to approve, as corrected, by Dillner; seconded by Rozman. Approved unanimously.

### **Financial Reports:**

- a. December 31, 2016 Financials
- b. January 31, 2017 Financials
- c. "Unaudited" Fourth Quarter (12/31) 2016 KID Report
- d. January 31, 2017 Cash and Investment Summary

Motion to approve all of the above reports made by Dillner; second by Schlaegel. Approved unanimously.

### **Reserve Advisory and Settlement Authority:**

Miller reported on the following claims:

1. Claim #2016073948 (Edwardsville). Reserve increase advisory only.
2. Claim #2016072925 (Hoisington). Reserve increase advisory only.
3. Claim #2015072704 (Pittsburg). Reserve increase advisory only.

**Loss Control Activities:** Retter presented the loss control review. This status report is given at each Board meeting.

**By-Laws Revision Discussion:** Osenbaugh briefly discussed the need to get going on the By-Laws revision, and suggested that a committee be appointed to meet with Osenbaugh to write a first draft. President Price appointed the following volunteers: VP Frazer (committee chair), Dillner, Hardy and Cox.

**Pool Performance History:** Cornejo presented this annual report, which gives a long view of the loss history of the pool.

**Annual Marketing Review:** Presented by Osenbaugh, this review is intended to bring the Board up to date on the Primary Market of the Pool, and what this year's 'scouting report' looks like.

**Annual Investment Update:** Presented by KMIT's investment advisor, Greg Nelson, of Commerce Bank. This annual report is required by board policy.

**Other Business:** Osenbaugh reviewed the documents in the off-agenda section of the packet.

**Adjournment:** Motion to adjourn by Dillner; second by Rozman. Unanimous. Adjourned at 12:11 PM.

DRAFT

# KMIT Balance Sheet

February 28, 2017

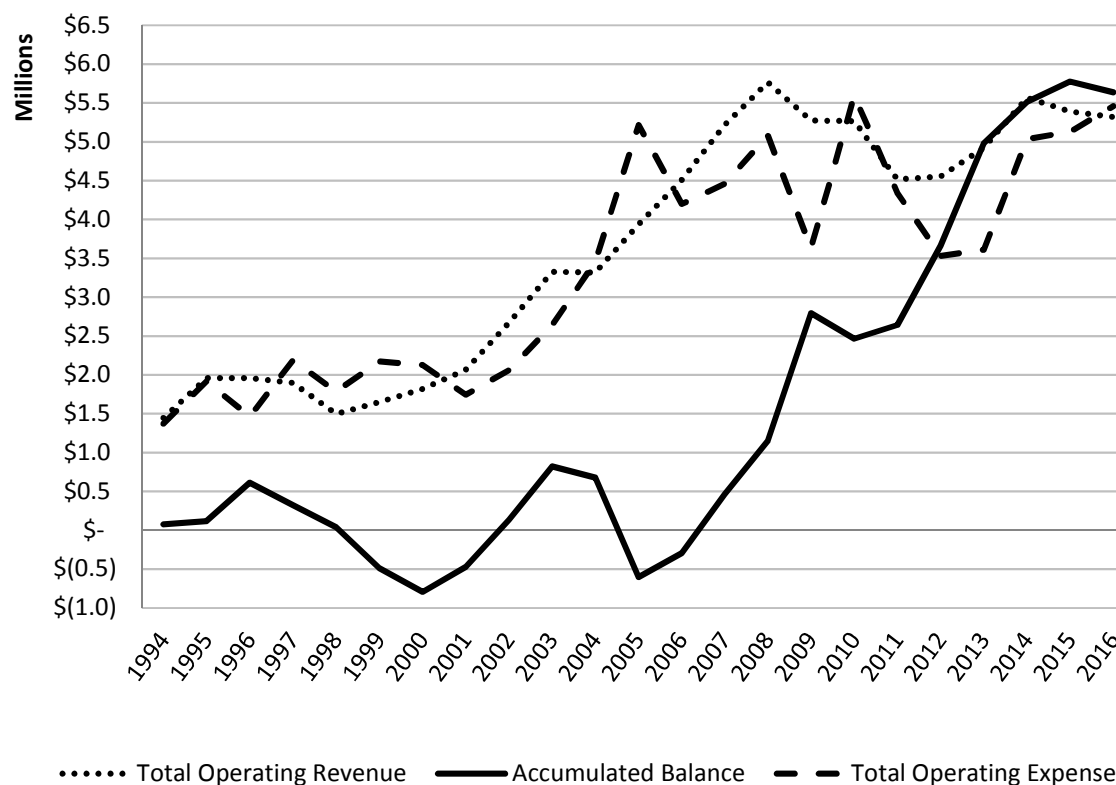
## ASSETS

Checking Accounts	\$	520,433
Investments	\$	17,355,600
Accrued Interest	\$	150,611
Accounts Receivable	\$	129
Excess Premium Receivable	\$	-
Specific Recoverable	\$	337,462
Aggregate Recoverable	\$	8,559
Prepaid Expenses	\$	410,250
<b>Total Assets</b>	<b>\$</b>	<b>18,783,045</b>

## LIABILITIES & EQUITY

Accounts Payable	\$	39,981
Excess Premium Payable	\$	-
Reserve for Losses	\$	2,618,687
IBNR Reserve	\$	5,723,281
Deposits on Premium	\$	4,411,088
Accrued Taxes and Assessments	\$	439,304
<b>Total Liabilities</b>	<b>\$</b>	<b>13,232,341</b>
<b>Total Equity</b>	<b>\$</b>	<b>5,550,705</b>
<b>Total Liabilities and Equity</b>	<b>\$</b>	<b>18,783,045</b>

## KMIT Financial Overview



# KMIT Profit and Loss

February 28, 2017

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
	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	Accrued To Date
<b>REVENUE FUND</b>															
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	\$ 4,950,171	\$ 5,519,169
Interest Income	\$ 22,675	\$ 73,225	\$ 114,912	\$ 142,705	\$ 116,190	\$ 96,882	\$ 129,613	\$ 101,694	\$ 50,668	\$ 52,492	\$ 59,068	\$ 96,274	\$ 234,986	\$ 263,024	\$ 245,802
Miscellaneous Income	\$ -	\$ -	\$ -	\$ -	\$ 4,445	\$ 75	\$ -	\$ -	\$ 2,335	\$ -	\$ -	\$ -	\$ -	\$ 2,405	\$ -
<b>Total Operating Revenue</b>	<b>\$ 1,445,257</b>	<b>\$ 1,958,726</b>	<b>\$ 1,957,959</b>	<b>\$ 1,897,220</b>	<b>\$ 1,498,357</b>	<b>\$ 1,649,067</b>	<b>\$ 1,819,386</b>	<b>\$ 2,067,350</b>	<b>\$ 2,669,644</b>	<b>\$ 3,326,981</b>	<b>\$ 3,315,716</b>	<b>\$ 3,934,067</b>	<b>\$ 4,507,126</b>	<b>\$ 5,215,600</b>	<b>\$ 5,764,971</b>
		\$ 390,462													
<b>ADMINISTRATION FUND EXPENSE</b>	<b>\$ 477,137</b>	<b>\$ 601,545</b>	<b>\$ 492,669</b>	<b>\$ 527,664</b>	<b>\$ 490,180</b>	<b>\$ 454,708</b>	<b>\$ 450,807</b>	<b>\$ 437,018</b>	<b>\$ 533,041</b>	<b>\$ 649,336</b>	<b>\$ 738,790</b>	<b>\$ 815,590</b>	<b>\$ 908,643</b>	<b>\$ 920,926</b>	<b>\$ 952,703</b>
<b>CLAIMS FUND EXPENSE</b>															
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,073,604	\$ 1,982,653	\$ 1,741,797	\$ 1,443,627	\$ 1,097,087	\$ 1,211,714	\$ 1,874,209	\$ 2,280,948	\$ 3,840,514	\$ 2,589,248	\$ 2,746,143	\$ 3,313,693
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,802	\$ 84,784	\$ 143,603	\$ 123,458	\$ 83,206	\$ 129,112	\$ 149,296	\$ 149,956	\$ 237,343	\$ 179,548	\$ 192,507	\$ 234,488
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ 67,701	\$ 55,256	\$ 10,967	\$ -	\$ -	\$ -	\$ 49,064	\$ 125,601	\$ 51,081	\$ 171,829	\$ 185,001
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ -	\$ 5,813	\$ 4,098	\$ 2,256	\$ -	\$ -	\$ -	\$ 883	\$ 8,221	\$ 20,835	\$ 11,121	\$ 8,173
IBNR Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,415	\$ -	\$ -	\$ -	\$ 18,118	\$ 1,272	\$ 64,462	\$ 48,573	\$ 13,038
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	\$ 420,728	\$ 372,790
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ (191,144)	\$ 47,388	\$ -	\$ -	\$ -	\$ -	\$ 75	\$ -	\$ -	\$ -	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (735,657)	\$ (232,343)	\$ -	\$ -	\$ (400,137)	\$ -	\$ (188,126)	\$ -	\$ (53,999)	\$ -	\$ -
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,559)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ (352,627)	\$ -	\$ (112,699)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Claims Fund Expense</b>	<b>\$ 893,634</b>	<b>\$ 1,313,638</b>	<b>\$ 970,007</b>	<b>\$ 1,660,153</b>	<b>\$ 1,293,607</b>	<b>\$ 1,718,664</b>	<b>\$ 1,675,542</b>	<b>\$ 1,307,461</b>	<b>\$ 1,530,284</b>	<b>\$ 1,990,358</b>	<b>\$ 2,720,404</b>	<b>\$ 4,399,372</b>	<b>\$ 3,289,598</b>	<b>\$ 3,536,903</b>	<b>\$ 4,127,183</b>
<b>Total Operating Expense</b>	<b>\$ 1,370,771</b>	<b>\$ 1,915,183</b>	<b>\$ 1,462,676</b>	<b>\$ 2,187,817</b>	<b>\$ 1,783,787</b>	<b>\$ 2,173,372</b>	<b>\$ 2,126,349</b>	<b>\$ 1,744,478</b>	<b>\$ 2,063,325</b>	<b>\$ 2,639,694</b>	<b>\$ 3,459,194</b>	<b>\$ 5,214,962</b>	<b>\$ 4,198,241</b>	<b>\$ 4,457,829</b>	<b>\$ 5,079,886</b>
<b>BALANCES</b>															
<b>KMIT Statutory Fund Balance</b>	<b>\$ 74,486</b>	<b>\$ 43,543</b>	<b>\$ 495,283</b>	<b>\$ (290,597)</b>	<b>\$ (285,429)</b>	<b>\$ (524,305)</b>	<b>\$ (306,963)</b>	<b>\$ 322,872</b>	<b>\$ 606,319</b>	<b>\$ 687,287</b>	<b>\$ (143,478)</b>	<b>\$ (1,280,895)</b>	<b>\$ 308,885</b>	<b>\$ 757,771</b>	<b>\$ 685,085</b>
<b>Accumulated Balance</b>	<b>\$ 74,486</b>	<b>\$ 118,029</b>	<b>\$ 613,312</b>	<b>\$ 322,715</b>	<b>\$ 37,285</b>	<b>\$ (487,019)</b>	<b>\$ (793,982)</b>	<b>\$ (471,110)</b>	<b>\$ 135,208</b>	<b>\$ 822,495</b>	<b>\$ 679,017</b>	<b>\$ (601,878)</b>	<b>\$ (292,993)</b>	<b>\$ 464,778</b>	<b>\$ 1,149,863</b>

# KMIT Profit and Loss

February 28, 2017

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017	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	Accrued To Date	Budget	Accrued To Date
<b>REVENUE FUND</b>											
Direct Premium Earned	\$ 5,193,427	\$ 5,213,859	\$ 4,442,326	\$ 4,484,533	\$ 4,853,835	\$ 5,460,344	\$ 5,261,044	\$ 5,157,928	\$ 882,218	\$ 5,052,000	\$ 82,167,470
Interest Income	\$ 81,601	\$ 52,768	\$ 72,925	\$ 70,104	\$ 71,861	\$ 107,601	\$ 128,600	\$ 163,558	\$ 26,409	\$ 130,000	\$ 2,575,587
Miscellaneous Income	\$ -	\$ -	\$ 1,441	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ 10,701
<b>Total Operating Revenue</b>	<b>\$ 5,275,028</b>	<b>\$ 5,266,578</b>	<b>\$ 4,516,692</b>	<b>\$ 4,554,637</b>	<b>\$ 4,925,696</b>	<b>\$ 5,567,945</b>	<b>\$ 5,389,644</b>	<b>\$ 5,321,486</b>	<b>\$ 908,627</b>	<b>\$ 5,182,000</b>	<b>\$ 84,753,759</b>
<b>ADMINISTRATION FUND EXPENSE</b>	<b>\$ 956,351</b>	<b>\$ 1,022,328</b>	<b>\$ 958,139</b>	<b>\$ 932,029</b>	<b>\$ 1,004,265</b>	<b>\$ 1,068,793</b>	<b>\$ 1,094,168</b>	<b>\$ 1,180,250</b>	<b>\$ 222,665</b>	<b>\$ 1,244,000</b>	<b>\$ 17,889,744</b>
<b>CLAIMS FUND EXPENSE</b>											
Claims Paid Expense	\$ 2,029,622	\$ 3,815,325	\$ 2,649,887	\$ 1,926,429	\$ 1,635,175	\$ 3,004,820	\$ 1,543,565	\$ 1,125,915	\$ 15,457	\$ -	\$ 46,497,406
Claims Paid Adjusting Expense	\$ 130,107	\$ 184,876	\$ 146,273	\$ 168,247	\$ 122,141	\$ 118,154	\$ 101,531	\$ 62,354	\$ 168	\$ -	\$ 2,958,345
Claims Reserve Expense	\$ -	\$ 118,957	\$ 211,236	\$ 61,822	\$ 62,262	\$ 357,314	\$ 242,554	\$ 463,408	\$ 152,061	\$ -	\$ 2,386,114
Claims Reserves Adjusting Expense	\$ -	\$ 11,555	\$ 5,687	\$ 9,425	\$ 10,738	\$ 40,586	\$ 35,602	\$ 46,433	\$ 11,147	\$ -	\$ 232,572
IBNR Reserve Expense	\$ 173,594	\$ 89,600	\$ 32,020	\$ 107,157	\$ 379,647	\$ 511,890	\$ 1,655,321	\$ 2,107,874	\$ 512,300	\$ -	\$ 5,723,281
Excess Work Comp Insurance	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 395,128	\$ 432,750	\$ 456,352	\$ 474,781	\$ 79,394	\$ 480,000	\$ 6,522,174
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (193,781)	\$ -	\$ -		\$ -	\$ (337,462)
Specific Recovery Expense	\$ -	\$ (43)	\$ -	\$ (9,965)	\$ -	\$ (306,219)	\$ -	\$ -		\$ -	\$ (2,195,236)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ (8,559)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ (465,326)
<b>Claims Fund Expense</b>	<b>\$ 2,675,257</b>	<b>\$ 4,571,644</b>	<b>\$ 3,382,069</b>	<b>\$ 2,600,710</b>	<b>\$ 2,605,092</b>	<b>\$ 3,965,514</b>	<b>\$ 4,034,925</b>	<b>\$ 4,280,765</b>	<b>\$ 770,527</b>	<b>\$ 480,000</b>	<b>\$ 61,313,310</b>
<b>Total Operating Expense</b>	<b>\$ 3,631,608</b>	<b>\$ 5,593,972</b>	<b>\$ 4,340,208</b>	<b>\$ 3,532,739</b>	<b>\$ 3,609,357</b>	<b>\$ 5,034,307</b>	<b>\$ 5,129,093</b>	<b>\$ 5,461,015</b>	<b>\$ 993,191</b>	<b>\$ 1,724,000</b>	<b>\$ 79,203,054</b>
<b>BALANCES</b>											
<b>KMIT Statutory Fund Balance</b>	<b>\$ 1,643,420</b>	<b>\$ (327,394)</b>	<b>\$ 176,484</b>	<b>\$ 1,021,898</b>	<b>\$ 1,316,339</b>	<b>\$ 533,638</b>	<b>\$ 260,551</b>	<b>\$ (139,529)</b>	<b>\$ (84,564)</b>	<b>\$ 3,458,000</b>	<b>\$ 5,550,705</b>
<b>Accumulated Balance</b>	<b>\$ 2,793,283</b>	<b>\$ 2,465,889</b>	<b>\$ 2,642,373</b>	<b>\$ 3,664,271</b>	<b>\$ 4,980,610</b>	<b>\$ 5,514,248</b>	<b>\$ 5,774,799</b>	<b>\$ 5,635,269</b>	<b>\$ 5,550,705</b>		

# KMIT Admin Expenses

February 28, 2017

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
	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	Accrued To Date
<b>GENERAL EXPENSES</b>															
Agent Commissions	\$ -	\$ -	\$ -	\$ -	\$ 969	\$ 4,919	\$ 5,239	\$ 12,669	\$ 33,803	\$ 44,060	\$ 43,231	\$ 61,486	\$ 75,650	\$ 77,961	\$ 88,532
Directors and Officers Insurance	\$ -	\$ 489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,367	\$ 18,542
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	\$ 26,155
Bank Fees	\$ 1,249	\$ 4,735	\$ 579	\$ 658	\$ 263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,638
Write Off	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LKM Clearing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sub Total</b>	<b>\$ 1,249</b>	<b>\$ 21,179</b>	<b>\$ 4,151</b>	<b>\$ 9,889</b>	<b>\$ 7,795</b>	<b>\$ 16,504</b>	<b>\$ 11,408</b>	<b>\$ 30,892</b>	<b>\$ 59,906</b>	<b>\$ 72,999</b>	<b>\$ 85,051</b>	<b>\$ 84,659</b>	<b>\$ 141,982</b>	<b>\$ 132,193</b>	<b>\$ 135,867</b>
<b>REGULATORY</b>															
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	\$ 54,139
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	\$ 3,409
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	\$ 32,770
KID State Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
KDOL Annual Assessment Fee	\$ 9,073	\$ 15,053	\$ 12,410	\$ 42,620	\$ 38,730	\$ 44,396	\$ 40,094	\$ 30,875	\$ 34,311	\$ 39,671	\$ 57,221	\$ 71,959	\$ 81,690	\$ 85,338	\$ 87,022
<b>Sub Total</b>	<b>\$ 95,360</b>	<b>\$ 77,466</b>	<b>\$ 56,281</b>	<b>\$ 105,257</b>	<b>\$ 87,664</b>	<b>\$ 79,060</b>	<b>\$ 72,727</b>	<b>\$ 55,589</b>	<b>\$ 69,799</b>	<b>\$ 94,418</b>	<b>\$ 137,371</b>	<b>\$ 201,667</b>	<b>\$ 169,095</b>	<b>\$ 168,728</b>	<b>\$ 177,340</b>
<b>CONTRACTURAL</b>															
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	\$ 13,127
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	\$ 13,000
Risk Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ 50,000	\$ 50,000	\$ 60,000	\$ 70,000
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	\$ 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	\$ 165,000
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
POET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ 220,000
Payroll Audits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,088	\$ 9,840	\$ 12,042	\$ -	\$ 14,562	\$ 15,684	\$ 18,370
Rating Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Web Hosting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sub Total</b>	<b>\$ 380,528</b>	<b>\$ 502,900</b>	<b>\$ 432,236</b>	<b>\$ 412,518</b>	<b>\$ 394,721</b>	<b>\$ 359,144</b>	<b>\$ 366,672</b>	<b>\$ 350,536</b>	<b>\$ 403,336</b>	<b>\$ 481,918</b>	<b>\$ 516,368</b>	<b>\$ 529,264</b>	<b>\$ 597,566</b>	<b>\$ 620,006</b>	<b>\$ 639,497</b>
<b>Administration Fund Expense</b>	<b>\$ 477,137</b>	<b>\$ 601,545</b>	<b>\$ 492,669</b>	<b>\$ 527,664</b>	<b>\$ 490,180</b>	<b>\$ 454,708</b>	<b>\$ 450,807</b>	<b>\$ 437,018</b>	<b>\$ 533,041</b>	<b>\$ 649,336</b>	<b>\$ 738,790</b>	<b>\$ 815,590</b>	<b>\$ 908,643</b>	<b>\$ 920,926</b>	<b>\$ 952,703</b>

# KMIT Admin Expenses

February 28, 2017

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017	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	Accrued To Date	Budget	Accrued To Date
<b>GENERAL EXPENSES</b>											
Agent Commissions	\$ 94,214	\$ 93,637	\$ 82,860	\$ 96,481	\$ 102,636	\$ 97,189	\$ 97,505	\$ 91,405	\$ -	\$ 95,000	\$ 1,204,446
Directors and Officers Insurance	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 15,956	\$ 15,667	\$ 15,970	\$ 2,657	\$ 17,000	\$ 171,196
Meetings/Travel	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 29,749	\$ 19,897	\$ 22,638	\$ 1,613	\$ 20,000	\$ 113,560
Contingencies/Miscellaneous	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 4,385	\$ 3,884	\$ 2,594	\$ 2,074	\$ 6,000	\$ 361,483
Bank Fees	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 4,460	\$ 5,998	\$ 6,333	\$ 1,366	\$ 8,000	\$ 57,739
Write Off	\$ -	\$ -	\$ (104)	\$ -	\$ -	\$ -	\$ -	\$ 464	\$ -	\$ -	\$ 360
LKM Clearing	\$ -	\$ -	\$ 60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ 161	\$ 34	\$ 502	\$ -	\$ 2,000	\$ 1,588
Office Supplies	\$ -	\$ -	\$ -	\$ 1,112	\$ 1,830	\$ 3,732	\$ 4,485	\$ 6,176	\$ 2,900	\$ 9,000	\$ 20,233
<b>Sub Total</b>	<b>\$ 147,147</b>	<b>\$ 121,475</b>	<b>\$ 107,167</b>	<b>\$ 126,735</b>	<b>\$ 152,627</b>	<b>\$ 155,632</b>	<b>\$ 147,469</b>	<b>\$ 146,081</b>	<b>\$ 10,610</b>	<b>\$ 157,000</b>	<b>\$ 1,930,667</b>
<b>REGULATORY</b>											
Kansas Insurance Dept (KID) Premium Tax	\$ 48,525	\$ 49,030	\$ 40,919	\$ 43,445	\$ 44,349	\$ 51,057	\$ 47,827	\$ 46,831	\$ 227	\$ 50,000	\$ 755,810
KID Pool Assessment	\$ 3,476	\$ 3,500	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,701
KID Workers Compensation Assessment	\$ 28,363	\$ 57,704	\$ 65,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 671,063
KID State Audit	\$ -	\$ -	\$ 12,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,652
KDOL Annual Assessment Fee	\$ 63,865	\$ 90,881	\$ 29,612	\$ 81,716	\$ 93,169	\$ 130,263	\$ 126,411	\$ 153,566	\$ -	\$ 200,000	\$ 1,459,946
<b>Sub Total</b>	<b>\$ 144,229</b>	<b>\$ 201,115</b>	<b>\$ 152,145</b>	<b>\$ 125,161</b>	<b>\$ 137,518</b>	<b>\$ 181,320</b>	<b>\$ 174,237</b>	<b>\$ 200,398</b>	<b>\$ 227</b>	<b>\$ 250,000</b>	<b>\$ 2,964,172</b>
<b>CONTRACTURAL</b>											
Financial Audit	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ 15,803	\$ 13,803	\$ 12,000	\$ -	\$ 27,000	\$ 304,075
Actuarial	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ 15,000	\$ 14,500	\$ 15,000	\$ -	\$ 15,000	\$ 231,395
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 170,000	\$ 190,000	\$ 61,500	\$ 210,000	\$ 1,351,500
Risk Control	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000	\$ 155,000	\$ 155,000	\$ 46,500	\$ 155,000	\$ 2,590,573
Claims Adjusting	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 205,000	\$ 205,000	\$ 63,000	\$ 210,000	\$ 3,939,259
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,671	\$ 14,651	\$ 27,647	\$ 3,825	\$ 15,000	\$ 55,794
POET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,425	\$ 10,513	\$ 1,725	\$ 12,000	\$ 19,663
Pool Admin Services	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 81,900	\$ 98,560	\$ 99,360	\$ 17,040	\$ 102,000	\$ 3,875,480
Payroll Audits	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ 20,143	\$ 19,923	\$ 19,954	\$ -	\$ 21,000	\$ 228,712
Rating Services	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ 10,887	\$ 754	\$ 27,105	\$ -	\$ -	\$ 86,734
Web Hosting	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 3,439	\$ 2,846	\$ 2,193	\$ 738	\$ -	\$ 14,221
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 17,500	\$ 70,000	\$ 297,500
<b>Sub Total</b>	<b>\$ 664,975</b>	<b>\$ 699,738</b>	<b>\$ 698,827</b>	<b>\$ 680,133</b>	<b>\$ 714,119</b>	<b>\$ 731,842</b>	<b>\$ 772,461</b>	<b>\$ 833,772</b>	<b>\$ 211,828</b>	<b>\$ 837,000</b>	<b>\$ 12,994,905</b>
Administration Fund Expense	\$ 956,351	\$ 1,022,328	\$ 958,139	\$ 932,029	\$ 1,004,265	\$ 1,068,793	\$ 1,094,168	\$ 1,180,250	\$ 222,665	\$ 1,244,000	\$ 17,889,744

# KMIT Balance Sheet

March 31, 2017

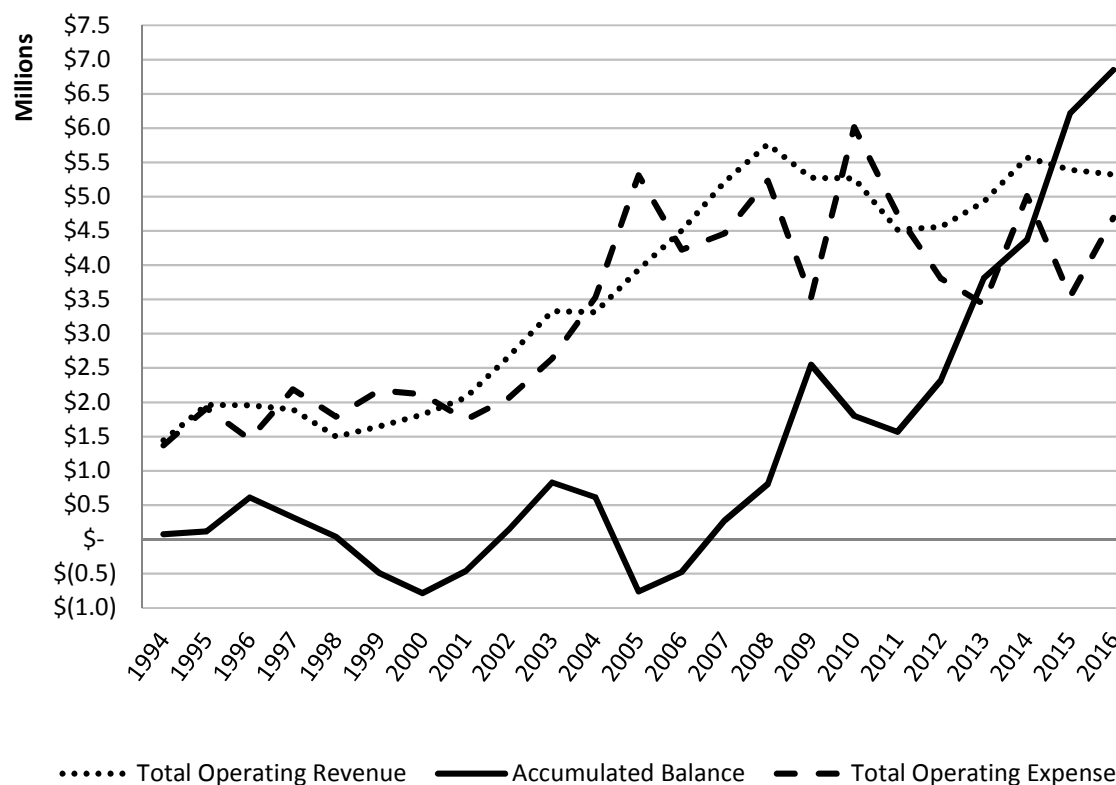
## ASSETS

Checking Accounts	\$	381,324
Investments	\$	17,170,969
Accrued Interest	\$	141,028
Accounts Receivable	\$	69,362
Excess Premium Receivable	\$	-
Specific Recoverable	\$	337,462
Aggregate Recoverable	\$	8,559
Prepaid Expenses	\$	453,434
<b>Total Assets</b>	<b>\$</b>	<b>18,562,139</b>

## LIABILITIES & EQUITY

Accounts Payable	\$	26,228
Excess Premium Payable	\$	-
Reserve for Losses	\$	2,859,634
IBNR Reserve	\$	4,369,378
Deposits on Premium	\$	4,042,058
Accrued Taxes and Assessments	\$	401,644
<b>Total Liabilities</b>	<b>\$</b>	<b>11,698,941</b>
<b>Total Equity</b>	<b>\$</b>	<b>6,863,198</b>
<b>Total Liabilities and Equity</b>	<b>\$</b>	<b>18,562,139</b>

## KMIT Financial Overview



# KMIT Profit and Loss

March 31, 2017

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
	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	Accrued To Date
<b>REVENUE FUND</b>															
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	\$ 4,950,171	\$ 5,519,169
Interest Income	\$ 22,675	\$ 73,225	\$ 114,912	\$ 142,705	\$ 116,190	\$ 96,882	\$ 129,613	\$ 101,694	\$ 50,668	\$ 52,492	\$ 59,068	\$ 96,274	\$ 234,986	\$ 263,024	\$ 245,802
Miscellaneous Income	\$ -	\$ -	\$ -	\$ -	\$ 4,445	\$ 75	\$ -	\$ -	\$ 2,335	\$ -	\$ -	\$ -	\$ -	\$ 2,405	\$ -
<b>Total Operating Revenue</b>	<b>\$ 1,445,257</b>	<b>\$ 1,958,726</b>	<b>\$ 1,957,959</b>	<b>\$ 1,897,220</b>	<b>\$ 1,498,357</b>	<b>\$ 1,649,067</b>	<b>\$ 1,819,386</b>	<b>\$ 2,067,350</b>	<b>\$ 2,669,644</b>	<b>\$ 3,326,981</b>	<b>\$ 3,315,716</b>	<b>\$ 3,934,067</b>	<b>\$ 4,507,126</b>	<b>\$ 5,215,600</b>	<b>\$ 5,764,971</b>
	\$ 390,462														
<b>ADMINISTRATION FUND EXPENSE</b>	<b>\$ 477,137</b>	<b>\$ 601,545</b>	<b>\$ 492,669</b>	<b>\$ 527,664</b>	<b>\$ 492,205</b>	<b>\$ 457,436</b>	<b>\$ 450,481</b>	<b>\$ 437,018</b>	<b>\$ 533,041</b>	<b>\$ 649,336</b>	<b>\$ 741,238</b>	<b>\$ 818,751</b>	<b>\$ 909,134</b>	<b>\$ 921,732</b>	<b>\$ 959,411</b>
<b>CLAIMS FUND EXPENSE</b>															
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,073,604	\$ 1,984,817	\$ 1,741,836	\$ 1,443,627	\$ 1,097,087	\$ 1,211,714	\$ 1,874,209	\$ 2,281,457	\$ 3,843,222	\$ 2,590,989	\$ 2,802,318	\$ 3,311,049
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,802	\$ 84,792	\$ 143,604	\$ 123,458	\$ 83,206	\$ 129,112	\$ 149,296	\$ 149,958	\$ 237,498	\$ 179,611	\$ 192,541	\$ 239,888
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ 65,537	\$ 55,217	\$ 10,967	\$ -	\$ -	\$ -	\$ 48,555	\$ 122,718	\$ 68,678	\$ 169,654	\$ 192,730
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ -	\$ 5,806	\$ 4,097	\$ 2,256	\$ -	\$ -	\$ -	\$ 881	\$ 8,299	\$ 20,772	\$ 11,087	\$ 10,853
IBNR Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,247)	\$ -	\$ -	\$ -	\$ 84,526	\$ 96,350	\$ 70,052	\$ 54,953	\$ 145,897
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	\$ 420,728	\$ 372,790
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ (191,144)	\$ 47,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75	\$ -	\$ -	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (735,657)	\$ (232,343)	\$ -	\$ -	\$ (400,137)	\$ -	\$ (188,126)	\$ -	\$ (107,997)	\$ -	\$ -
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,559)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ (352,627)	\$ -	\$ (112,699)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Claims Fund Expense</b>	<b>\$ 893,634</b>	<b>\$ 1,313,638</b>	<b>\$ 970,007</b>	<b>\$ 1,660,153</b>	<b>\$ 1,293,607</b>	<b>\$ 1,718,664</b>	<b>\$ 1,662,880</b>	<b>\$ 1,307,461</b>	<b>\$ 1,530,284</b>	<b>\$ 1,990,358</b>	<b>\$ 2,786,812</b>	<b>\$ 4,494,508</b>	<b>\$ 3,314,526</b>	<b>\$ 3,543,283</b>	<b>\$ 4,273,207</b>
<b>Total Operating Expense</b>	<b>\$ 1,370,771</b>	<b>\$ 1,915,183</b>	<b>\$ 1,462,676</b>	<b>\$ 2,187,817</b>	<b>\$ 1,785,812</b>	<b>\$ 2,176,100</b>	<b>\$ 2,113,361</b>	<b>\$ 1,744,478</b>	<b>\$ 2,063,325</b>	<b>\$ 2,639,694</b>	<b>\$ 3,528,050</b>	<b>\$ 5,313,259</b>	<b>\$ 4,223,660</b>	<b>\$ 4,465,015</b>	<b>\$ 5,232,618</b>
<b>BALANCES</b>															
<b>KMIT Statutory Fund Balance</b>	<b>\$ 74,486</b>	<b>\$ 43,543</b>	<b>\$ 495,283</b>	<b>\$ (290,597)</b>	<b>\$ (287,455)</b>	<b>\$ (527,033)</b>	<b>\$ (293,975)</b>	<b>\$ 322,872</b>	<b>\$ 606,319</b>	<b>\$ 687,287</b>	<b>\$ (212,334)</b>	<b>\$ (1,379,192)</b>	<b>\$ 283,466</b>	<b>\$ 750,585</b>	<b>\$ 532,353</b>
<b>Accumulated Balance</b>	<b>\$ 74,486</b>	<b>\$ 118,029</b>	<b>\$ 613,312</b>	<b>\$ 322,715</b>	<b>\$ 35,260</b>	<b>\$ (491,773)</b>	<b>\$ (785,747)</b>	<b>\$ (462,876)</b>	<b>\$ 143,443</b>	<b>\$ 830,730</b>	<b>\$ 618,396</b>	<b>\$ (760,796)</b>	<b>\$ (477,329)</b>	<b>\$ 273,256</b>	<b>\$ 805,609</b>

# KMIT Profit and Loss

March 31, 2017

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017	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	Accrued To Date	Budget	Accrued To Date
<b>REVENUE FUND</b>											
Direct Premium Earned	\$ 5,193,427	\$ 5,213,859	\$ 4,442,326	\$ 4,484,533	\$ 4,853,835	\$ 5,460,344	\$ 5,261,044	\$ 5,157,928	\$ 1,323,326	\$ 5,052,000	\$ 82,608,579
Interest Income	\$ 81,601	\$ 52,768	\$ 72,925	\$ 70,104	\$ 71,861	\$ 107,601	\$ 128,600	\$ 163,558	\$ 43,781	\$ 130,000	\$ 2,592,959
Miscellaneous Income	\$ -	\$ -	\$ 1,441	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ 10,701
<b>Total Operating Revenue</b>	<b>\$ 5,275,028</b>	<b>\$ 5,266,578</b>	<b>\$ 4,516,692</b>	<b>\$ 4,554,637</b>	<b>\$ 4,925,696</b>	<b>\$ 5,567,945</b>	<b>\$ 5,389,644</b>	<b>\$ 5,321,486</b>	<b>\$ 1,367,108</b>	<b>\$ 5,182,000</b>	<b>\$ 85,212,240</b>
<b>ADMINISTRATION FUND EXPENSE</b>	<b>\$ 954,022</b>	<b>\$ 1,043,877</b>	<b>\$ 979,503</b>	<b>\$ 942,158</b>	<b>\$ 1,002,869</b>	<b>\$ 1,087,702</b>	<b>\$ 1,083,929</b>	<b>\$ 1,101,352</b>	<b>\$ 308,257</b>	<b>\$ 1,244,000</b>	<b>\$ 17,972,464</b>
<b>CLAIMS FUND EXPENSE</b>											
Claims Paid Expense	\$ 2,029,622	\$ 3,825,347	\$ 2,654,923	\$ 1,882,395	\$ 1,635,251	\$ 3,311,309	\$ 1,549,867	\$ 1,183,449	\$ 41,141	\$ -	\$ 46,925,205
Claims Paid Adjusting Expense	\$ 130,849	\$ 184,990	\$ 146,336	\$ 168,247	\$ 122,193	\$ 118,685	\$ 106,779	\$ 64,049	\$ 1,010	\$ -	\$ 2,973,291
Claims Reserve Expense	\$ -	\$ 220,809	\$ 206,200	\$ 61,822	\$ 65,611	\$ 452,624	\$ 240,901	\$ 391,797	\$ 259,436	\$ -	\$ 2,633,257
Claims Reserves Adjusting Expense	\$ 310	\$ 12,480	\$ 5,624	\$ 9,425	\$ 10,686	\$ 37,738	\$ 33,200	\$ 35,275	\$ 17,589	\$ -	\$ 226,377
IBNR Reserve Expense	\$ 74,012	\$ 375,340	\$ 418,882	\$ 371,941	\$ 200,689	\$ 363,211	\$ 71,708	\$ 1,440,617	\$ 605,448	\$ -	\$ 4,369,378
Excess Work Comp Insurance	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 395,128	\$ 432,750	\$ 456,352	\$ 474,781	\$ 119,090	\$ 480,000	\$ 6,561,871
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (193,781)	\$ -	\$ -		\$ -	\$ (337,462)
Specific Recovery Expense	\$ -	\$ (43)	\$ -	\$ 34,070	\$ -	\$ (602,473)	\$ -	\$ -		\$ -	\$ (2,501,455)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ (8,559)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ (465,326)
<b>Claims Fund Expense</b>	<b>\$ 2,576,727</b>	<b>\$ 4,970,296</b>	<b>\$ 3,768,931</b>	<b>\$ 2,865,494</b>	<b>\$ 2,429,558</b>	<b>\$ 3,920,062</b>	<b>\$ 2,458,807</b>	<b>\$ 3,589,967</b>	<b>\$ 1,043,714</b>	<b>\$ 480,000</b>	<b>\$ 60,376,578</b>
<b>Total Operating Expense</b>	<b>\$ 3,530,749</b>	<b>\$ 6,014,173</b>	<b>\$ 4,748,433</b>	<b>\$ 3,807,652</b>	<b>\$ 3,432,427</b>	<b>\$ 5,007,764</b>	<b>\$ 3,542,736</b>	<b>\$ 4,691,319</b>	<b>\$ 1,351,972</b>	<b>\$ 1,724,000</b>	<b>\$ 78,349,042</b>
<b>BALANCES</b>											
<b>KMIT Statutory Fund Balance</b>	<b>\$ 1,744,279</b>	<b>\$ (747,595)</b>	<b>\$ (231,742)</b>	<b>\$ 746,985</b>	<b>\$ 1,493,269</b>	<b>\$ 560,181</b>	<b>\$ 1,846,908</b>	<b>\$ 630,167</b>	<b>\$ 15,136</b>	<b>\$ 3,458,000</b>	<b>\$ 6,863,198</b>
<b>Accumulated Balance</b>	<b>\$ 2,549,888</b>	<b>\$ 1,802,293</b>	<b>\$ 1,570,552</b>	<b>\$ 2,317,536</b>	<b>\$ 3,810,805</b>	<b>\$ 4,370,986</b>	<b>\$ 6,217,894</b>	<b>\$ 6,848,061</b>	<b>\$ 6,863,198</b>		

# KMIT Admin Expenses

March 31, 2017

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
	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	Accrued To Date
<b>GENERAL EXPENSES</b>															
Agent Commissions	\$ -	\$ -	\$ -	\$ -	\$ 969	\$ 4,919	\$ 5,239	\$ 12,669	\$ 33,803	\$ 44,060	\$ 43,231	\$ 61,486	\$ 75,650	\$ 77,961	\$ 88,532
Directors and Officers Insurance	\$ -	\$ 489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,367	\$ 18,542
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	\$ 26,155
Bank Fees	\$ 1,249	\$ 4,735	\$ 579	\$ 658	\$ 263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,638
Write Off	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LKM Clearing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sub Total</b>	<b>\$ 1,249</b>	<b>\$ 21,179</b>	<b>\$ 4,151</b>	<b>\$ 9,889</b>	<b>\$ 7,795</b>	<b>\$ 16,504</b>	<b>\$ 11,408</b>	<b>\$ 30,892</b>	<b>\$ 59,906</b>	<b>\$ 72,999</b>	<b>\$ 85,051</b>	<b>\$ 84,659</b>	<b>\$ 141,982</b>	<b>\$ 132,193</b>	<b>\$ 135,867</b>
<b>REGULATORY</b>															
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	\$ 54,139
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	\$ 3,409
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	\$ 32,770
KID State Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
KDOL Annual Assessment Fee	\$ 9,073	\$ 15,053	\$ 12,410	\$ 42,620	\$ 40,756	\$ 47,124	\$ 39,768	\$ 30,875	\$ 34,311	\$ 39,671	\$ 59,669	\$ 75,119	\$ 82,181	\$ 86,144	\$ 93,730
<b>Sub Total</b>	<b>\$ 95,360</b>	<b>\$ 77,466</b>	<b>\$ 56,281</b>	<b>\$ 105,257</b>	<b>\$ 89,689</b>	<b>\$ 81,788</b>	<b>\$ 72,400</b>	<b>\$ 55,589</b>	<b>\$ 69,799</b>	<b>\$ 94,418</b>	<b>\$ 139,818</b>	<b>\$ 204,828</b>	<b>\$ 169,586</b>	<b>\$ 169,533</b>	<b>\$ 184,047</b>
<b>CONTRACTURAL</b>															
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	\$ 13,127
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	\$ 13,000
Risk Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ 50,000	\$ 50,000	\$ 60,000	\$ 70,000
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	\$ 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	\$ 165,000
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
POET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ 220,000
Payroll Audits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,088	\$ 9,840	\$ 12,042	\$ -	\$ 14,562	\$ 15,684	\$ 18,370
Rating Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Web Hosting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sub Total</b>	<b>\$ 380,528</b>	<b>\$ 502,900</b>	<b>\$ 432,236</b>	<b>\$ 412,518</b>	<b>\$ 394,721</b>	<b>\$ 359,144</b>	<b>\$ 366,672</b>	<b>\$ 350,536</b>	<b>\$ 403,336</b>	<b>\$ 481,918</b>	<b>\$ 516,368</b>	<b>\$ 529,264</b>	<b>\$ 597,566</b>	<b>\$ 620,006</b>	<b>\$ 639,497</b>
<b>Administration Fund Expense</b>	<b>\$ 477,137</b>	<b>\$ 601,545</b>	<b>\$ 492,669</b>	<b>\$ 527,664</b>	<b>\$ 492,205</b>	<b>\$ 457,436</b>	<b>\$ 450,481</b>	<b>\$ 437,018</b>	<b>\$ 533,041</b>	<b>\$ 649,336</b>	<b>\$ 741,238</b>	<b>\$ 818,751</b>	<b>\$ 909,134</b>	<b>\$ 921,732</b>	<b>\$ 959,411</b>

# KMIT Admin Expenses

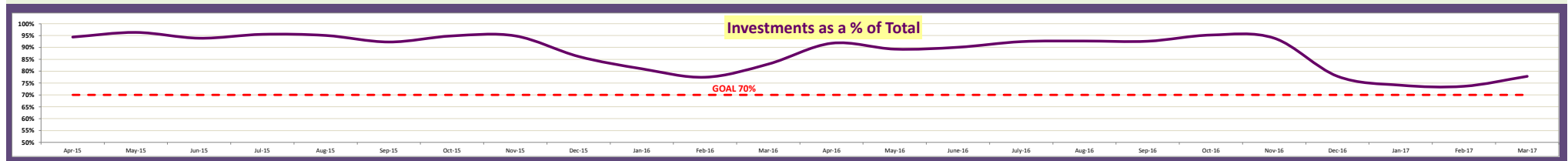
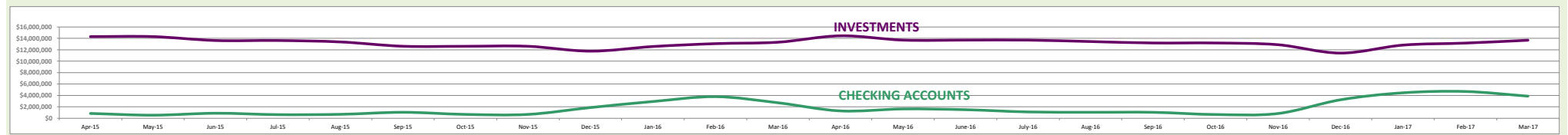
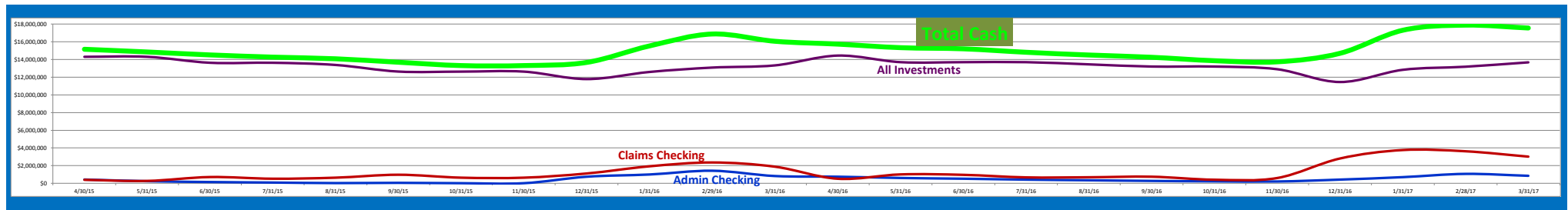
March 31, 2017

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017	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	Accrued To Date	Budget	Accrued To Date
<b>GENERAL EXPENSES</b>											
Agent Commissions	\$ 94,214	\$ 93,637	\$ 82,860	\$ 96,481	\$ 102,636	\$ 97,189	\$ 97,505	\$ 91,405	\$ 9,819	\$ 95,000	\$ 1,214,265
Directors and Officers Insurance	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 15,956	\$ 15,667	\$ 15,970	\$ 3,985	\$ 17,000	\$ 172,525
Meetings/Travel	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 29,749	\$ 19,897	\$ 22,638	\$ 2,195	\$ 20,000	\$ 114,143
Contingencies/Miscellaneous	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 4,385	\$ 3,884	\$ 2,594	\$ 2,074	\$ 6,000	\$ 361,483
Bank Fees	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 4,460	\$ 5,998	\$ 6,333	\$ 2,021	\$ 8,000	\$ 58,394
Write Off	\$ -	\$ -	\$ (104)	\$ -	\$ -	\$ -	\$ -	\$ 464	\$ -	\$ -	\$ 360
LKM Clearing	\$ -	\$ -	\$ 60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ 161	\$ 34	\$ 502	\$ -	\$ 2,000	\$ 1,588
Office Supplies	\$ -	\$ -	\$ -	\$ 1,112	\$ 1,830	\$ 3,732	\$ 4,485	\$ 6,176	\$ 2,900	\$ 9,000	\$ 20,233
<b>Sub Total</b>	<b>\$ 147,147</b>	<b>\$ 121,475</b>	<b>\$ 107,167</b>	<b>\$ 126,735</b>	<b>\$ 152,627</b>	<b>\$ 155,632</b>	<b>\$ 147,469</b>	<b>\$ 146,082</b>	<b>\$ 22,994</b>	<b>\$ 157,000</b>	<b>\$ 1,943,052</b>
<b>REGULATORY</b>											
Kansas Insurance Dept (KID) Premium Tax	\$ 48,525	\$ 49,030	\$ 40,919	\$ 43,445	\$ 44,349	\$ 51,057	\$ 47,827	\$ 46,831	\$ 12,397	\$ 50,000	\$ 767,980
KID Pool Assessment	\$ 3,476	\$ 3,500	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,701
KID Workers Compensation Assessment	\$ 28,363	\$ 57,704	\$ 65,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 671,063
KID State Audit	\$ -	\$ -	\$ 12,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,652
KDOL Annual Assessment Fee	\$ 61,535	\$ 112,430	\$ 50,976	\$ 91,846	\$ 91,773	\$ 149,172	\$ 116,171	\$ 74,667	\$ -	\$ 200,000	\$ 1,457,073
<b>Sub Total</b>	<b>\$ 141,899</b>	<b>\$ 222,664</b>	<b>\$ 173,509</b>	<b>\$ 135,291</b>	<b>\$ 136,122</b>	<b>\$ 200,229</b>	<b>\$ 163,998</b>	<b>\$ 121,499</b>	<b>\$ 12,397</b>	<b>\$ 250,000</b>	<b>\$ 2,973,469</b>
<b>CONTRACTURAL</b>											
Financial Audit	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ 15,803	\$ 13,803	\$ 12,000	\$ -	\$ 27,000	\$ 304,075
Actuarial	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ 15,000	\$ 14,500	\$ 15,000	\$ -	\$ 15,000	\$ 231,395
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 170,000	\$ 190,000	\$ 82,000	\$ 210,000	\$ 1,372,000
Risk Control	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000	\$ 155,000	\$ 155,000	\$ 62,000	\$ 155,000	\$ 2,606,073
Claims Adjusting	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 205,000	\$ 205,000	\$ 84,000	\$ 210,000	\$ 3,960,259
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,671	\$ 14,651	\$ 27,647	\$ 5,850	\$ 15,000	\$ 57,819
POET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,425	\$ 10,513	\$ 3,000	\$ 12,000	\$ 20,938
Pool Admin Services	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 81,900	\$ 98,560	\$ 99,360	\$ 17,040	\$ 102,000	\$ 3,875,480
Payroll Audits	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ 20,143	\$ 19,923	\$ 19,954	\$ -	\$ 21,000	\$ 228,712
Rating Services	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ 10,887	\$ 754	\$ 27,105	\$ -	\$ -	\$ 86,734
Web Hosting	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 3,439	\$ 2,846	\$ 2,193	\$ 1,476	\$ -	\$ 14,959
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 17,500	\$ 70,000	\$ 297,500
<b>Sub Total</b>	<b>\$ 664,975</b>	<b>\$ 699,738</b>	<b>\$ 698,827</b>	<b>\$ 680,133</b>	<b>\$ 714,119</b>	<b>\$ 731,842</b>	<b>\$ 772,461</b>	<b>\$ 833,772</b>	<b>\$ 272,866</b>	<b>\$ 837,000</b>	<b>\$ 13,055,944</b>
<b>Administration Fund Expense</b>	<b>\$ 954,022</b>	<b>\$ 1,043,877</b>	<b>\$ 979,503</b>	<b>\$ 942,158</b>	<b>\$ 1,002,869</b>	<b>\$ 1,087,702</b>	<b>\$ 1,083,929</b>	<b>\$ 1,101,352</b>	<b>\$ 308,257</b>	<b>\$ 1,244,000</b>	<b>\$ 17,972,464</b>

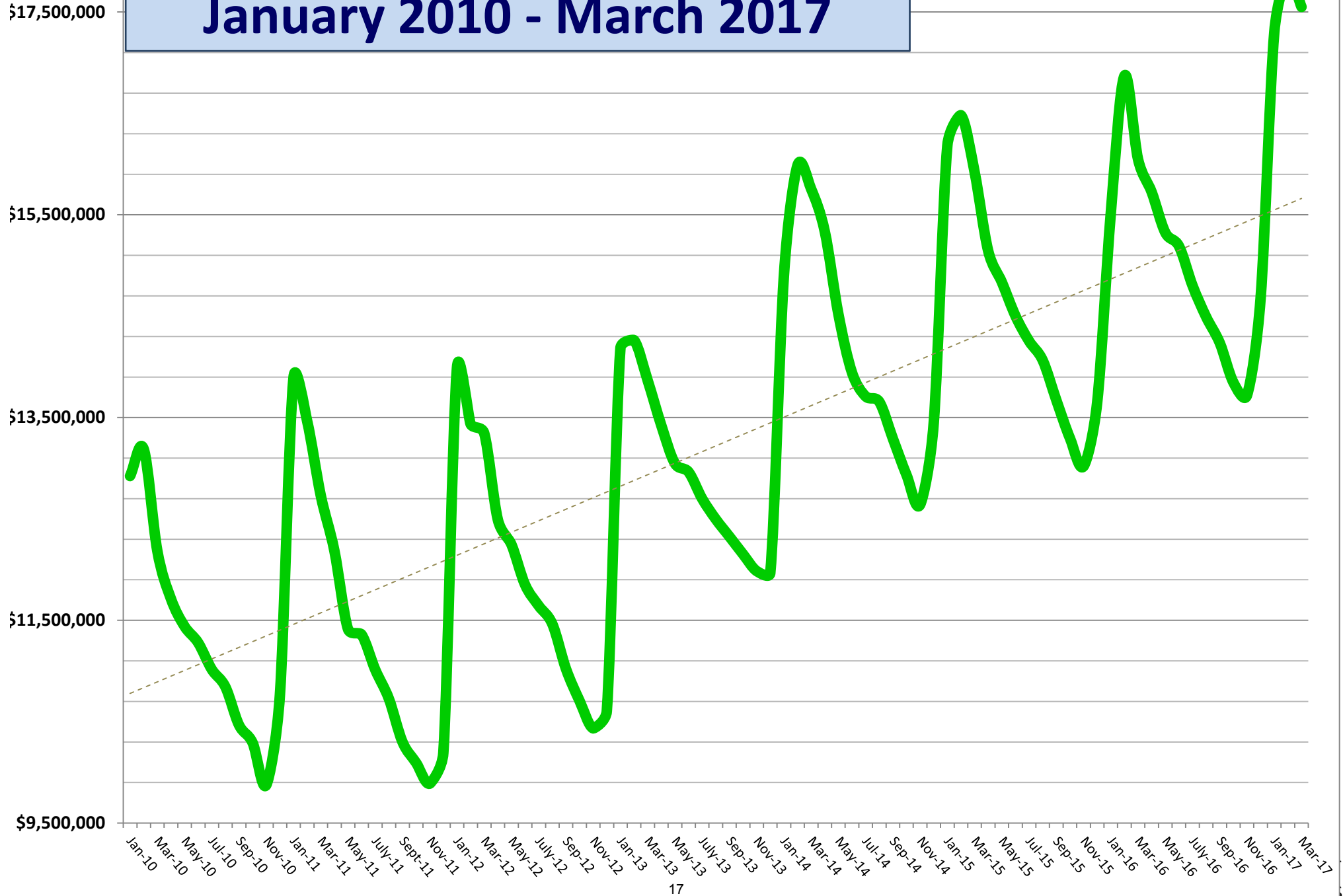
# KMIT Cash/Investment Summary

## April 30, 2015--March 31, 2017

	4/30/15	5/31/15	6/30/15	7/31/15	8/31/15	9/30/15	10/31/15	11/30/15	12/31/15	1/31/16	2/29/16	3/31/16	4/30/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17
KMIT Admin Fund (KAF)																								
Admin Account	438,126	252,742	157,676	99,363	38,155	66,032	26,315	26,316	756,379	1,007,808	1,429,800	834,738	758,995	614,962	530,728	428,163	354,802	283,967	234,079	219,697	430,948	708,262	1,076,226	859,998
Admin Checking	438,126	252,742	157,676	99,363	38,155	66,032	26,315	26,316	756,379	1,007,808	1,429,800	834,738	758,995	614,962	530,728	428,163	354,802	283,967	234,079	219,697	430,948	708,262	1,076,226	859,998
KMIT Claims Fund (KCF)																								
Claims Account	370,486	85,164	617,158	292,834	437,404	927,412	620,803	620,803	916,848	1,873,340	2,184,922	1,739,923	333,513	953,807	654,244	598,584	574,353	566,173	372,993	539,135	2,566,118	3,609,069	3,356,821	2,765,303
TPA Claims Checking Account	42,536	206,337	110,386	244,843	219,388	58,669	35,387	35,387	210,174	63,920	184,669	152,171	200,914	71,336	321,905	89,682	127,454	199,161	52,523	77,000	252,457	162,189	274,153	262,147
Claims Checking	413,022	291,500	727,544	537,677	656,792	986,081	656,190	656,190	1,127,022	1,937,260	2,369,591	1,892,094	534,427	1,025,144	976,150	688,266	701,807	765,335	425,515	616,135	2,818,574	3,771,258	3,630,973	3,027,450
INVESTMENTS																								
All Investments	14,291,000	14,291,000	13,617,000	13,617,000	13,369,000	12,619,000	12,613,000	12,613,000	11,767,000	12,573,000	13,071,000	13,320,000	14,430,000	13,684,000	13,684,000	13,684,000	13,435,000	13,186,000	13,186,000	12,883,596	11,433,000	12,818,000	13,168,000	13,662,000
TOTAL CASH	15,142,148	14,835,243	14,502,220	14,254,040	14,063,947	13,671,112	13,295,505	13,295,506	13,650,401	15,518,067	16,870,392	16,046,832	15,723,422	15,324,105	15,190,878	14,800,429	14,491,609	14,235,302	13,845,595	13,719,428	14,682,522	17,297,520	17,875,199	17,549,448
	4/30/15	5/31/15	6/30/15	7/31/15	8/31/15	9/30/15	10/31/15	11/30/15	12/31/15	1/31/16	2/29/16	3/31/16	4/30/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17



# KMIT Total Cash and Investments January 2010 - March 2017



## **CLAIM SUMMARY-SETTLEMENT REQUEST**

**Employer:** City of Spring Hill  
**Claim No.:** 2013047001  
**Employee Age:** 50  
**AWW:** \$654.40  
**Attorneys:** Employee -John Stanley  
**Adjuster:** Gene Miller

**Date of Injury:** 10/11/13  
**Job Description:** Street Dept  
**Updated:**  
**TTD Rate:** \$436.27  
**Employer** -Ron Laskowski

	Medical	Indemnity	Expense	Total
Reserves	\$182,000.00	\$68,924.50	\$15,000.00	\$265,924.50
Amount Paid	\$141,684.81	\$18,924.50	\$9,335.89	\$169,945.20
Outstanding	\$40,315.19	\$50,000.00	\$5,664.11	\$95,,979.30

### **Accident Description/Nature of Injury:**

- **Claimant** was directed by his supervisor to participate in a health-day volleyball game. During the game, he twisted his right ankle.

### **Investigation/Compensability**

- There were lots of witnesses and injury was accepted as compensable.

### **Medical Management**

- He was referred to ankle specialist Dr. Patel who ultimately performed surgery to repair his fracture, which included hardware. He fell while on crutches injuring his back and was referred to Dr. Ciccarelli. MRI revealed herniation at L5-S1 and discectomy performed.

### **Periods of Disability**

- 10/18/13 to 1/2/14, 4/28/14 to 12/19/14 and 6/24/15 to 8/28//15

### **Permanent Partial Impairment/Permanent Disability**

- Dr. Patel assigns 13% BAW
- Dr. Ciccarelli assigns 13% BAW
- Dr. Poppa assigns 31% BAW

### **Subrogation/Other Issues**

- No source for subrogation or contribution.

### **Plan of Action:**

- Request settlement authority to 75,000.
- $415 - 43.4 + 15 = 386.6 \times 22\% = 85 \times \$436.27 = \$37,127$
- Claimant has had a prolonged recovery with surgeries to ankle and back. I believe future medical could easily exceed the requested monies above a split of the ratings.
- First objective is to settle all issued, second would be settling indemnity and leaving medical open and third would be to leave the right to review/modify indemnity and to future medical.

## **CLAIM SUMMARY-SETTLEMENT REQUEST**

**Employer:** City of Parsons  
**Claim No.:** 2015070579  
**Employee Age:** 40  
**AWW:** \$1,415.49  
**Attorneys:** Employee –Pat Smith  
**Adjuster:** Gene Miller

**Date of Injury:** 3/30/2015  
**Job Description:** Policeman  
**Updated:** 4/3//2017  
**TTD Rate:** \$594.00  
**Employer** -Ron Laskowski

	Medical	Indemnity	Expense	Total
<b>Reserves</b>	<b>\$30,000.00</b>	<b>\$46,926.11</b>	<b>\$5,000.00</b>	<b>\$81,926.11</b>
<b>Amount Paid</b>	<b>\$27,611.13</b>	<b>\$15,309.26</b>	<b>\$2,132.33</b>	<b>\$45,052.72</b>
<b>Outstanding</b>	<b>\$2,388.87</b>	<b>\$31,616.85</b>	<b>\$2,867.67</b>	<b>\$36,873.39</b>

### **Accident Description/Nature of Injury:**

- Claimant was taking down suspect and suspect fell on claimant, fracturing his lower right leg/ankle.

### **Investigation/Compensability**

- The accident was promptly reported and medical treatment sought the same day. The injury was accepted as compensable.

### **Medical Management**

- Initial treatment and surgery performed by Dr. Mosier with hardware and bone stimulator. Prolonged care with non-union led to referral to Dr. Heddings at KUMC for second surgery and final recovery.

### **Periods of Disability**

- 3/13/15 to 2/11/16.

### **Permanent Partial Impairment/Permanent Disability**

- Dr. Heddings assigns 5% lower right extremity (\$6,652.80)
- Dr. Prostic assigns 12% lower right extremity (\$11,404.80)

### **Subrogation/Other Issues**

- We explored recovery from the suspect but the city discouraged and we have dropped.

### **Plan of Action:**

- Request settlement authority to \$ 31,616.85.
- A split of the ratings is \$11,616.85 (\$9,019.77 + \$2,597.08 TTD underpayment). Our defense attorney believes it will take a \$20,000 offer to settle all issues on this claim..
- The claimant is policeman by trade and no longer works for City of Parson. He is slightly overweight, on his feet and exposure to the hazards of the job. Our doctor indicated concern about arthritis which could lead to additional medical treatment to include ankle replacements. For the above reasons, I recommend the requested settlement authority be granted.

## **CLAIM SUMMARY-SETTLEMENT REQUEST**

**Employer:** City of Valley Center  
**Claim No.:** 2014048340  
**Employee Age:** 59  
**AWW:** \$715.94  
**Attorneys:** Employee -Y Robert Lee  
**Adjuster:** Gene Miller

**Date of Injury:** 6/16/14  
**Job Description:** Janitor  
**Updated:** 4/17/2017  
**TTD Rate:** \$477.32  
**Employer –** Bill Townsley

	Medical	Indemnity	Expense	Total
Reserves	\$45,000.00	\$110,939.70	\$15,000.00	\$170,939.70
Amount Paid	\$35,505.93	\$9,060.30	\$10,552.45	\$55,118.68
Outstanding	\$9,494.07	\$101,879.40	\$4,447.55	\$115,821.02

### **Accident Description/Nature of Injury:**

- Claimant was carrying a bag of trash down stairs when she lost her balance, fell and injured her knees.

### **Investigation/Compensability**

- The accident was promptly reported and not questioned. Compensability was denied as an 'act of daily living'. She obtained an attorney and the case was tried to an Administrative Law Judge who found the injury to be compensable.

### **Medical Management**

- MRI of left knee revealed degenerative changes and probable tear of lateral meniscus. MRI of right knee revealed tear of lateral meniscus and anterior cruciate ligament. Dr. Estivo scoped the right knee on 3/31/15. Her symptoms continued and she was referred to Dr. Jansson who did an ACL reconstruction of her right knee on 1/5/16. He followed on 6/7/16 with left knee scope.

### **Periods of Disability**

- 12/6/15 to 7/5/16.

### **Permanent Partial Impairment/Permanent Disability**

- Dr. Jansson rated left knee 2% and right knee 4% (Defense doctor).
- Dr. Fluter's rating was 14% whole body (Claimant attorney doctor).
- Dr. Hufford rating was 9% whole body (Court ordered IME).

### **Subrogation/Other Issues**

- A claimant is entitled to present a work disability claim if the BAW rating exceeds 7% and job loss involved, both have occurred with this case. Claimant attorney has produced a Vocational Report which shows claimant has 38% task loss and 54% wage loss which equates to \$106,834 value. This report includes wages from a second job, which we dispute and when omitted reduce the case value to \$88,050. Claimant current demand \$80,000. The defense can obtain a Vocational Report to counter claimant's report. There are no subrogation or contribution issues.

### **Plan of Action:**

- Request settlement authority to \$65,000.00 (20% BAW).

- **Our defense attorney has opinioned the best case scenario is in the 15-20% work disability range, which has \$65,000 value and prior to incurring expense costs to try the case, the above settlement authority requested to try and settle the case full/final.**

## **CLAIM SUMMARY-RESERVE INCREASE**

**Employer:** City of Bonner Springs  
**Claim No.:** 2017075893  
**Employee Age:** 39  
**AWW:** \$ 914.47  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 2/14/2017  
**Job Description:** Distribution Manager  
**Updated:** 3/24/2017  
**TTD Rate:** \$609.65  
**Employer -NA**

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$1,200.00	\$0.00	\$100.00	\$1,300.00
New Reserves	\$20,000.00	\$10,000.00	\$1,000.00	\$31,000.00
Amount Paid	\$298.32	\$261.28	\$1.50	\$561.10
Outstanding	\$19,701.68	\$9,738.72	\$998.50	\$30,438.90

### **Accident Description/Nature of Injury:**

- Claimant was tightening saddle for tapping a water line when the ratchet slipped causing injury to his left arm.

### **Investigation/Compensability**

- The injury was promptly reported, not questioned and accepted as compensable.

### **Medical Management**

- Conservative treatment failed. MRI revealed torn biceps tendon and he was referred to KUMC upper extremity specialist Dr. Tyler Fox who performed outpatient surgery on 3/3/17.

### **Periods of Disability**

- 3/3/17 to 3/12/17

### **Indemnity**

- TTD: No additional TTD anticipated.
- PPD: Reserves reflect 7 ½% upper arm.

### **Subrogation/Other Issues**

- No sources for subrogation or contribution.

### **Plan of Action:**

- Early return to work achieved with the city's modified duty program. I am following up with him after every doctor's appointment to learn of his progress. When he is released from medical care, I will request a disability rating, negotiate full/final settlement, obtain Division approval and close file.

## **CLAIM SUMMARY-RESERVE INCREASE**

**Employer:** City of Atchison  
**Claim No.:** 2017075693  
**Employee Age:** 61  
**AWW:** \$151.16  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 1/19/2017  
**Job Description:** Kitchen Worker  
**Updated:** 4/3/2017  
**TTD Rate:** \$100.77  
**Employer** -NA

	Medical	Indemnity	Expense	Total
Prev. Reserves	\$1,200.00	\$2,500.00	\$100.00	\$3,800.00
New Reserves	\$25,000.00	\$5,00.00	\$500.00	\$30,500.00
Amount Paid	\$1,515.39	\$143.96	\$48.65	\$1,708.00
Outstanding	\$23,484.61	\$4,856.04	\$451.35	\$28,792.00

### **Accident Description/Nature of Injury:**

- Claimant was clearing a food line and picked up heavy food pan injuring her left shoulder.

### **Investigation/Compensability**

- She is a part-time employee and didn't report the injury for 4 days as she felt the pain would just go away. We confirmed her work activities, medical records confirm accident details so we accepted the claim as compensable.

### **Medical Management**

- Conservative care failed to relieve her symptoms and a MRI was performed which disclosed a partial-thickness tear. She was referred to Dr. Wilkinson who has scheduled her for arthroscopy surgery on 4/27/17.

### **Periods of Disability**

- 1/22/17 to 2/9/17

### **Indemnity**

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

### **Subrogation/Other Issues**

- No source for subrogation or contribution.

### **Plan of Action:**

- Follow-up after surgery to maintain control of claim and then follow-up after every doctor's appointment, striving for early return to work. When she is released from medical care, request rating, negotiate settlement, obtain Division approval and close file.

**Claims Over \$10,000  
2017**

Accident Type	Severity	Frequency	Average Cost Per Claim	Percentage of Cost
Strain or Injury By	\$115,518	5	\$23,103.60	50.49%
Fall or Slip Injury	\$42,250	3	\$14,083.33	18.47%
Occupational Hazards	\$32,000	2	\$16,000.00	13.99%
Step/Strike Against	\$21,000	1	\$21,000.00	9.18%
Cut/Puncture/Scrape By	\$18,021	1	\$18,021.00	7.88%
<b>Grand Total</b>	<b>\$228,789</b>	<b>12</b>		

Department	Severity	Frequency	Average Cost Per Claim	Percentage of Cost
Water	\$57,750	3	\$19,250	25.24%
Fire	\$34,500	2	\$17,250	15.08%
Public Works	\$31,000	1	\$31,000	13.55%
Miscellaneous	\$30,500	1	\$30,500	13.33%
Sanitation	\$28,018	2	\$14,009	12.25%
Cemetery	\$18,021	1	\$18,021	7.88%
Police	\$16,000	1	\$16,000	6.99%
Electric	\$13,000	1	\$13,000	5.68%
<b>Grand Total</b>	<b>\$228,789</b>	<b>12</b>		

# **Non-Agenda Information and Background Material**

# KANSAS MUNICIPAL INSURANCE TRUST

## Board of Trustees Minutes from December 16, 2016

*Approved in Moundridge on February 24, 2017*

**Meeting Convened:** Friday, December 16, at the offices of IMA, in Wichita, KS. The meeting was called to order by KMIT President Debbie Price at 9:01 AM.

**Members Present:** *Board Members Present:* President Price (Marysville), Vice President Randy Frazer (Moundridge), Treasurer David Dillner (Abilene), Immediate Past President Tim Hardy (Elkhart), Keith Schlaegel (Stockton) Kerry Rozman (Clay Center), Ty Lasher (Bel Aire), Michael Reagle (Garden City), Janie Cox (Haysville) and Carey Steier (Pittsburg). *Staff:* Paul Davis (CORnerstone), Gene Miller (CORnerstone), Jess Cornejo (CORnerstone), Deanna Furman (CORnerstone), Barbie Kifer (CORnerstone), Amanda Chamberland (CORnerstone), Renee Rhodes (IMA) and Don Osenbaugh (KMIT Pool Administrator).

**Members Absent From Meeting:** Michael Webb (Edwardsville).

**Minutes: October 9, Overland Park (at LKM):** Motion to approve as written by Dillner; seconded by Rozman. Approved unanimously.

### **Financial Reports:**

- a. September 30, 2016 (3rd Q) KID Report
- b. September 30, 2016 Financials
- c. October 31, 2016 Financials
- d. November 30, 2016 Financials
- e. November 30, 2016 Cash and Investment Summary

Motion to approve all of the above reports made by Dillner; second by Schlaegel. Approved unanimously.

### **Reserve Advisory and Settlement Authority:**

Miller reported on the following claims:

1. Claim #2016074973 (Eudora)--Reserve Increase Advisory only.
2. Claim #2016074602 (Horton)--Reserve Increase Advisory only.
3. Claim #2016075002 (Pittsburg)--Reserve Increase Advisory only.
4. Claim #2016073580 (Newton)--Settlement request of authority up to \$30,378 approved unanimously following motion by Hardy and second by Dillner.

**Loss Control Activities:** Rhodes presented a updated activity report and commented on a slightly 'tweaked' risk control assessment form for 2017.

**Excess Coverage Renewal for 2017:** Cornejo reviewed a summary of variables and possible excess coverage options, all with the current carrier, Safety National. The Board voted unanimously to keep the same coverage levels as in 2016, with a currently-estimated premium of \$476,361. Motion by Hardy; second by Dillner.

**Errors and Omissions (D&O) Policy Renewal for 2017:** Cornejo presented a list of options. The Board voted unanimously to keep the same coverage levels as in 2016, at a premium cost of \$15,939.22. Motion by Dillner; second by Lasher.

**2017 Administrative Budget:** Osenbaugh presented the Estimated 2017 Administrative (Operating) Budget, which was approved unanimously following a motion by Frazer and second by Rozman. Estimated revenues: \$5,182; estimated administrative expenses: \$1,244,000; estimated available for claims: \$3,458,000.

**Bylaw Changes Discussion:** Osenbaugh led a discussion of the need to develop a process to change the bylaws this year, to match up with changes in the contract with the League, which takes affect 1/1/18. No decisions were made.

**Dodge City Membership Application:** Osenbaugh asked that the Board make the final determination on the admittance of Dodge City, which has applied to be re-admitted into KMIT. The Board (by consensus) gave approval to add Dodge City, contingent upon the City responding to questions the city had alluded to concerning past 'problems' with KMIT (Dodge City withdrew from the pool in December 2008).

**TRISTAR:** Paul Davis gave an overview of 'purchase' of the TPA (Claims) process by TRISTAR. More information will be brought to the February meeting.

**Other Business:** Discussion initiated by Lasher concerning the purchase of KMIT shirts for the Board and staff; by consensus it was agreed to purchase shirts.

**Adjournment:** Motion to adjourn by Dillner; second by Rozman. Unanimous. Adjourned at 12:15 PM.

# KMIT By-Laws Revision

## -Coming This Year-

Later this year, KMIT will be asking its member cities to approve a BY-LAWS AMENDMENT.

KMIT was formed via a Kansas statute for municipal insurance 'pools' (local government entities joining together to 'group self-fund' for various insurance needs). One of the legal requirements is that the KMIT Pool is established with and through a set of By-Laws, and that each member-city's governing body must approve the KMIT By-Laws (and associated documents) in order to join the Pool. The By-Laws are, thus, an 'inter-local agreement' between each and all of the cities in the KMIT Pool. Everything is official and required.

The By-Laws have been amended just three times since the establishment of KMIT (January 1, 1994), most recently in 2012, each time by action of the General Membership (a 2/3 affirmative vote of all the KMIT cities present) at the KMIT annual meeting.

The **2017 By-Laws Revision** will be voted upon at the 24th KMIT Annual Meeting, in September (which will be held during the League of Municipalities Annual Conference, which is in Wichita this year).

This By-Laws change is both 'general' and 'specific' in nature:

1. **General**--consists of a number of 'cleanup' areas. Most of these are simply the accumulation of various relatively-minor items which reflect some changes involved in just doing business over a 24-year period of time.

2. **Specific**--the wording requiring League membership for membership in KMIT will be removed, and *is likely to be* replaced with language also *allowing other local governmental units in Kansas to join KMIT* (the draft of the Amended By-Laws has not yet been written).

The League and KMIT entered into a five-year (2013-2017) 'Endorsement' agreement in 2012 which, in part, continued the original By-Laws requirement (1994) that cities must be League members to join, and/or remain in, KMIT. Following approval of the proposed By-Laws revision, that requirement would cease to exist after 12/31/17, when the current contract with the League also expires.

A new, three-year (2018-2020), 'Contract For Services' agreement, between KMIT and The League, has already been approved by both boards (KMIT and LKM), and will take effect on January 1, 2018. The new KMIT/LKM services contract does NOT require KMIT member cities to belong to The League.

The process for amending the By-Laws starts with this advance alert (not required). The next step will be a formal notice, which will include the entire revised By-Laws, with the changes noted. That **Official Notice** will be sent out to KMIT member cities no later than 30 days prior to the September Annual Meeting, as specified in the KMIT By-Laws.

The Amended By-Laws will be an item on the business agenda, to be voted upon by the General Membership of KMIT (each member city gets one vote), at the 2017 Annual Meeting, in Wichita.

# 2017 Market Review/Action Plan--April Update

KMIT St Pop		2014 est'd					Notes
Mkt	Rank	City	Population	KMIT	KERIT	Other	
1	15	Dodge City	28,117	1			re-joined 1/1/17 (charter member, 1/1/94-12/31/16)
2	16	Garden City	27,004	1			joined 1/1/13
3	17	Junction City	24,665		1		
4	18	Emporia	24,560			1	current 'suspect' (self-insured)
5	19	Derby	23,234	X	1		left KMIT 12/31/10 (charter member)
6	20	Prairie Village	21,877		1		
7	21	Hays	21,044	1			
8	22	Liberal	21,012			1	last quoted in 2016 (fourth time quoted...every 3 years)
9	23	Gardner	20,667		1		
10	24	Pittsburg	20,394	1			joined 1/1/2014
11	25	Newton	19,120	1			
12	26	Great Bend	15,840	1			
13	27	McPherson	13,189		1		
14	28	El Dorado	12,879	1			
15	29	Andover	12,509	1			
16	30	Ottawa	12,403		1		
17	31	Winfield	12,258		1		
18	32	Arkansas City	12,205	1			
19	33	Lansing	11,713		1		
20	34	Merriam	11,290		1		
21	35	Haysville	11,112	1			
22	36	Atchison	10,771	1			
23	37	Parsons	10,174	1			

24	38	Coffeyville	9,876	X	1		left KMIT 12/31/12 (second exit)
25	39	Mission	9,501	X	1		left KMIT 12/31/08
26	40	Chanute	9,295		1		
27	41	Augusta	9,242	1			
28	42	Independence	9,162	1			
29	43	Wellington	7,942	1			
30	44	Fort Scott	7,874	1			
31	45	Park City	7,556	X		1	left KMIT 12/31/14
32	46	Bonner Springs	7,314	1			
33	47	Bel Aire	7,284	1			
34	48	Valley Center	7,057	1			
35	49	Pratt	6,963			1	did not quote in 2017
36	50	Roeland Park	6,840	1			
37	51	Abilene	6,590	1			
38	52	Eudora	6,303	1			
39	53	Mulvane	6,289			1	last quoted in 2004?
40	54	Ulysses	6,160	1			
41	55	De Soto	6,038	1			
42	56	Spring Hill	5,896	1			
43	57	Paola	5,593	1			

# 2017 Market Review/Action Plan--April Update

44	58	Iola	5,553		1	quoted in 2005, 2007 and 2012
45	59	Colby	5,388		1	
46	60	<b>Concordia</b>	5,311	<b>1</b>		
47	61	<b>Tonganoxie</b>	5,190	<b>1</b>		
48	62	<b>Basehor</b>	5,119	<b>1</b>		
49	63	<b>Baldwin City</b>	4,585	<b>1</b>		
50	64	Goddard	4,692		1	last quoted in 2015
51	65	<b>Wamego</b>	4,578	<b>1</b>		
52	66	<b>Goodland</b>	4,554	<b>1</b>		
53	67	<b>Russell</b>	4,484	<b>1</b>		
54	68	<b>Edwardsville</b>	4,380	<b>1</b>		
55	69	<b>Osawatomie</b>	4,357	<b>1</b>		
56	70	Louisburg	4,322		1	
57	71	<b>Clay Center</b>	4,177	<b>1</b>		
58	72	Baxter Springs	4,073	<b>X</b>	1	left KMIT 12/31/13
59	73	<b>Maize</b>	4,073	<b>1</b>		
60	74	<b>Larned</b>	4,023	<b>1</b>		
61	75	Fairway	3,969		1	
62	76	Hugoton	3,966		1	
63	77	<b>Rose Hill</b>	3,960	<b>1</b>		
64	78	Scott City	3,927		1	
65	79	Beloit	3,792	<b>X</b>	1	joined 1/1/95; left 12/31/96
66	80	Lyons	3,737		1	quoted in 2003 and 2015
67	81	Hesston	3,734	<b>X</b>	1	joined 4/1/03; left 6/30/08
68	82	Mission Hills	3,597		1	
69	83	Frontenac	3,444		1	quoted in 2017
70	84	<b>Lindsborg</b>	3,438	<b>1</b>		joined in 2012
71	85	Holton	3,316		1	
72	86	Garnett	3,295		1	last quoted in 2016
73	87	<b>Marysville</b>	3,295	<b>1</b>		
74	88	<b>Columbus</b>	3,186	<b>1</b>		
75	89	<b>Hiawatha</b>	3,108	<b>1</b>		
76	90	<b>Kingman</b>	3,094	<b>1</b>		
77	91	<b>Ellsworth</b>	3,076	<b>1</b>		
78	92	<b>Galena</b>	2,966	<b>1</b>		
79	93	<b>Hillsboro</b>	2,893	<b>1</b>		
80	94	<b>Osage City</b>	2,862	<b>1</b>		
81	95	Norton	2,846		1	last quoted in 2003
82	96	<b>Girard</b>	2,773	<b>1</b>		
83	97	<b>Hoisington</b>	2,664	<b>1</b>		
84	98	St. Marys	2,664	<b>X</b>	1	left LKM and KMIT 12/31/96 (KMIT charter memb
85	99	Burlington	2,635		1	
86	100	Sabetha	2,564		1	
87	101	Phillipsburg	2,556		1	quoted in 2009 and 2013
88	102	South Hutchinson	2,544		1	quoted in 2017
89	103	<b>Clearwater</b>	2,531	<b>1</b>		

# 2017 Market Review/Action Plan--April Update

90	104	Eureka	2,485	X	1	left KMIT 12/31/14
91	105	Herington	2,413	1		joined in 2014 (quoted in 2011)
92	106	Neodesha	2,400	1		
93	107	Fredonia	2,372	1		
94	108	Sterling	2,303	1		joined in 2015
95	109	Cherryvale	2,283	1		
96	110	Cimarron	2,240		1	last quoted in 2012
97	111	Anthony	2,234		1	quoted in 2017
98	112	Lakin	2,180		1	
99	113	Cheney	2,153	1		
100	114	Ogden	2,138	1		
101	115	Caney	2,125		1	not currently a prospect
102	116	Holcomb	2,120	X	1	left KMIT 3/31/09 (KMIT charter member)
103	117	Elkhart	2,113	1		
104	118	Council Grove	2,105	1		
105	119	Ellinwood	2,098		1	
106	120	Halstead	2,084	1		
107	121	Oakley	2,075	1		joined in 2013
108	122	Ellis	2,074		1	last quoted in 2003
109	123	Minneapolis	2,029	1		
110	124	Medicine Lodge	2,021	1		
111	125	Seneca	2,006		1	
112	126	Belleville	1,917	1		
113	127	Kechi	1,982		1	quoted in 2012 and 2014
114	128	Humboldt	1,886		1	
115	129	Marion	1,861	1		joined in 2015
116	130	Wellsville	1,822	1		
117	131	WaKeeney	1,797	1		
118	132	North Newton	1,788	1		joined in 2013
119	133	Oswego	1,781	1		
120	134	Syracuse	1,750		1	current 'suspect'
121	135	Oberlin	1,749	1		
122	136	Horton	1,732	1		
123	137	Moundridge	1,726	1		joined in 2012
124	138	Edgerton	1,703	1		
125	139	Sedgwick	1,701	1		
126	140	Douglass	1,692	1		
127	141	Grandview Plaza	1,670	1		
128	142	Smith Center	1,641	1		joined in 2013
129	143	Meade	1,637	X	1	joined in 2005; left in 2007 (quoted in 2011)
130	144	Belle Plaine	1,627	1		joined in 2012
131	145	Westwood	1,534	1		joined in 2012
132	146	Leoti	1,496	1		
133	147	Arma	1,464	1		JOINED IN 2017
134	148	Hill City	1,454	1		
135	149	Ness City	1,454		1	current 'suspect'
136	150	Kinsley	1,451	1		

# 2017 Market Review/Action Plan--April Update

137	151	Towanda	1,427		1	last quoted in 2004
138	152	Silver Lake	1,426		1	
139	153	<b>Johnson City</b>	<b>1,413</b>	<b>1</b>		
140	154	Carbondale	1,405		1	
141	155	Sublette	1,399		1	
142	156	<b>Harper</b>	<b>1,398</b>	<b>1</b>		JOINED IN 2017
143	157	Osborne	1,396		1	last quoted in 2004
144	158	<b>Chapman</b>	<b>1,379</b>	<b>1</b>		joined in 2012
145	159	Inman	1,374		1	last quoted in 2015
146	160	Colwich	1,362		1	
147	161	Wathena	1,352		1	last quoted in 2015
148	162	Yates Center	1,350		1	
149	163	Buhler	1,335		1	
150	164	<b>Stockton</b>	<b>1,315</b>	<b>1</b>		
151	165	<b>St. Francis</b>	<b>1,312</b>	<b>1</b>		
152	166	La Crosse	1,290		1	
153	167	<b>Lincoln Center</b>	<b>1,266</b>	<b>1</b>		
154	168	<b>St. John</b>	<b>1,244</b>	<b>1</b>		joined in 2016
155	169	<b>Conway Springs</b>	<b>1,239</b>	<b>1</b>		
156	170	<b>Haven</b>	<b>1,225</b>	<b>1</b>		JOINED IN 2017
157	171	Victoria	1,225		1	
158	172	Atwood	1,222		1	
159	173	Auburn	1,217		1	
160	174	Elwood	1,204		1	
161	175	Plainville	1,189		1	last quoted in 2010
162	176	Hoxie	1,189	<b>X</b>	1	left KMIT 4/1/07 (charter member)
163	177	Pleasanton	1,180		1	last quoted in 2003
164	178	Valley Falls	1,158	<b>X</b>	1	joined in 2013; left in 2015
165	179	<b>Peabody</b>	<b>1,156</b>	<b>1</b>		
166	180	Rossville	1,156		1	last quoted in 2015
167	181	<b>Satanta</b>	<b>1,117</b>	<b>1</b>		
168	182	<b>La Cygne</b>	<b>1,116</b>	<b>1</b>		
169	183	Erie	1,108		1	
170	184	Plains	1,093		1	
171	185	Chetopa	1,091		1	KMIT declined to quote 3 times
172	186	Washington	1,087		1	
173	187	<b>Oskaloosa</b>	<b>1,086</b>	<b>1</b>		
174	188	<b>Sedan</b>	<b>1,065</b>	<b>1</b>		
175	189	Solomon	1,061		1	
176	190	<b>Altamont</b>	<b>1,049</b>	<b>1</b>		
177	191	Nickerson	1,041		1	
178	192	Caldwell	1,034	<b>X</b>	1	left 4/30/09
179	193	Lyndon	1,030		1	
180	194	Overbrook	1,029		1	last quoted in 2014
181	195	Kiowa	1,028		1	
182	196	Oxford	1,022		1	
183	197	Highland	1,015		1	
184	198	<b>Stafford</b>	<b>1,002</b>	<b>1</b>		

# 2017 Market Review/Action Plan--April Update

185

199

Dighton

1,000

1

Mkt

RANK

		KMIT	KERIT	Other
ALL Cities between 1,000 and 28,117		100	14	71
Total in Market	185	54.1%	7.6%	38.4%
1,000-2,000		36	0	38
Total in this Sub-Set	74	48.6%	0%	51.4%
2,000-5,000		35	2	31
Total in this Sub-Set	68	51.5%	2.9%	45.6%
5,000-10,000		17	3	5
Total in this Sub-Set	25	68.0%	12.0%	20.0%
10,000-20,000		8	5	0
Total in this Sub-Set	13	61.5%	38.5%	0.0%
20,000-28,117		4	4	2
Total in this Sub-Set	10	40.0%	40.0%	20.0%

# KMIT Member List

## April 1, 2017

	Member City	Population [1]	Date Joined	FTE [2]
1	Abilene	6,590	4/1/96	63.0
2	Admire	154	4/1/06	2.0
3	Allen	175	4/11/00	1.0
4	Altamont	1,049	4/1/94	12.0
5	Andale	981	5/1/94	4.0
6	Andover	12,509	4/1/95	72.0
7	Arkansas City	12,205	4/1/05	144.0
8	Arma	1,464	4/1/17	12.0 est
9	Atchison	10,771	4/1/94	109.0
10	Atlanta	194	4/1/04	1.0
11	Augusta	9,242	1/1/02	110.0
12	Baldwin City	4,585	4/1/94	40.0
13	Basehor	5,119	4/1/96	22.0
14	Bel Aire	7,284	4/1/09	60.0
15	Belle Plaine	1,627	4/1/12	10.0
16	Belleville	1,917	4/1/04	28.0
17	Bennington	665	4/1/06	2.0
18	Benton	872	4/1/12	6.0
19	Beverly	159	8/9/98	1.0
20	Bird City	439	1/15/94	3.0
21	Blue Mound	275	1/1/09	2.0
22	Blue Rapids	997	4/1/05	5.0
23	Bonner Springs	7,553	1/1/94	81.0
24	Brewster	304	4/1/94	1.0
25	Centralia	508	4/1/94	3.0
26	Chapman	1,417	4/1/12	13.0
27	Chautauqua	106	4/1/96	1.0
28	Cheney	2,153	1/1/94	18.0
29	Cherryvale	2,283	2/1/94	21.0
30	Clay Center	4,177	7/1/04	40.0
31	Clearwater	2,531	4/1/10	7.0
32	Columbus	3,186	4/1/02	34.0
33	Concordia	5,311	1/1/96	60.0
34	Conway Springs	1,239	4/1/94	8.0
35	Council Grove	2,106	4/1/94	26.0

# KMIT Member List

## April 1, 2017

36	<b>Cullison</b>	104	4/1/01	3.0	
37	<b>Damar</b>	132	3/1/05	1.0	
38	<b>De Soto</b>	6,038	4/1/94	30.0	
39	<b>Dodge Ctiy</b>	28,117	1/1/17	225.0	est
40	<b>Douglass</b>	1,692	4/1/03	7.0	
41	<b>Eastborough</b>	769	11/15/04	7.0	
42	<b>Edgerton</b>	1,703	12/11/00	9.0	
43	<b>Edwardsville</b>	4,380	4/1/07	41.5	
44	<b>El Dorado</b>	12,879	4/1/09	133.0	
45	<b>Elkhart</b>	2,113	1/1/94	13.0	
46	<b>Ellsworth</b>	3,076	4/1/06	24.0	
47	<b>Esbon</b>	98	4/1/94	3.0	
48	<b>Eudora</b>	6,303	4/1/03	39.0	
49	<b>Florence</b>	444	4/1/06	4.0	
50	<b>Ford</b>	220	4/1/01	2.0	
51	<b>Fort Scott</b>	7,874	1/1/94	82.0	
52	<b>Fowler</b>	560	6/8/95	2.0	
53	<b>Frankfort</b>	711	4/1/96	4.0	
54	<b>Fredonia</b>	2,372	4/1/03	35.0	
55	<b>Galena</b>	2,966	1/1/94	39.0	
56	<b>Garden City</b>	27,004	1/1/13	306.0	
57	<b>Girard</b>	2,773	1/1/04	35.0	
58	<b>Glasco</b>	487	4/1/94	3.0	
59	<b>Glen Elder</b>	435	4/1/95	4.0	
60	<b>Goodland</b>	4,554	1/1/94	57.0	
61	<b>Goessel</b>	514	4/1/16	7.5	
62	<b>Grainfield</b>	275	7/9/01	1.0	
63	<b>Grandview Plaza</b>	1,670	4/1/04	10.0	
64	<b>Great Bend</b>	15,840	1/1/02	150.0	
65	<b>Greeley</b>	296	3/9/98	2.0	
66	<b>Grenola</b>	203	4/1/94	1.0	
67	<b>Grinnell</b>	258	8/14/06	1.5	
68	<b>Halstead</b>	2,084	1/1/94	22.0	
69	<b>Hamilton</b>	255	4/1/06	2.5	
70	<b>Harper</b>	1,398	4/1/17	15.0	est
71	<b>Hartford</b>	367	4/1/06	3.0	

# KMIT Member List

## April 1, 2017

72	<b>Haven</b>	1,225	4/1/17	12.0	est
73	<b>Hays</b>	21,044	4/1/13	181.0	
74	<b>Haysville</b>	11,112	4/1/01	76.0	
75	<b>Herington</b>	2,413	4/1/14	37.5	
76	<b>Hiawatha</b>	3,108	6/4/95	26.0	
77	<b>Hill City</b>	1,454	4/1/95	17.0	
78	<b>Hillsboro</b>	2,893	4/1/95	26.0	
79	<b>Hoisington</b>	2,664	1/1/94	40.0	
80	<b>Horton</b>	1,732	4/1/02	25.0	
81	<b>Independence</b>	9,162	3/1/94	144.0	
82	<b>Jetmore</b>	864	4/1/94	6.0	
83	<b>Johnson City</b>	1,413	4/1/94	14.0	
84	<b>Kingman</b>	3,094	4/1/95	37.0	
85	<b>Kinsley</b>	1,451	1/1/94	11.0	
86	<b>La Cygne</b>	1,116	4/1/09	9.0	
87	<b>Lake Quivira</b>	934	12/1/14	10.0	est
88	<b>Larned</b>	4,023	4/1/08	56.0	
89	<b>LKM</b>	NA	4/1/94	15.0	
90	<b>Lecompton</b>	637	4/1/07	2.0	
91	<b>Lenora</b>	240	4/1/97	2.0	
92	<b>Leoti</b>	1,496	4/1/02	8.0	
93	<b>Lincoln Center</b>	1,266	9/3/02	12.0	
94	<b>Lindsborg</b>	3,438	4/1/12	31.0	
95	<b>Logan</b>	569	4/1/13	4.0	
96	<b>Lucas</b>	393	6/1/94	4.0	
97	<b>Madison</b>	661	4/1/17	5.0	est
98	<b>Maize</b>	4,073	6/25/94	19.0	
99	<b>Marion</b>	1,861	4/1/15	32.0	
100	<b>Marysville</b>	3,295	10/1/94	36.0	
101	<b>McFarland</b>	257	4/1/94	1.0	
102	<b>Medicine Lodge</b>	2,021	4/11/95	19.0	
103	<b>Melvern</b>	369	4/1/96	2.0	
104	<b>Minneapolis</b>	2,029	1/1/94	25.0	
105	<b>Moline</b>	344	4/1/94	3.0	
106	<b>Montezuma</b>	979	4/1/94	6.0	
107	<b>Mound City</b>	682	4/1/96	5.0	

# KMIT Member List

## April 1, 2017

108	<b>Moundridge</b>	1,726	4/1/12	17.0
109	<b>Neodesha</b>	2,400	4/1/98	49.0
110	<b>Neosho Rapids</b>	262	4/1/06	2.5
111	<b>Newton</b>	19,120	1/1/94	176.0
112	<b>North Newton</b>	1,788	4/1/13	5.0
113	<b>Oakley</b>	2,075	4/1/13	27.5
114	<b>Oberlin</b>	1,749	1/15/94	15.0
115	<b>Ogden</b>	2,138	4/1/01	8.0
116	<b>Olpe</b>	537	4/1/94	2.0
117	<b>Osage City</b>	2,862	4/1/94	35.0
118	<b>Osawatomie</b>	4,357	4/1/08	75.0
119	<b>Oskaloosa</b>	1,086	4/1/94	5.0
120	<b>Oswego</b>	1,781	4/1/95	21.0
121	<b>Palco</b>	282	4/1/04	2.5
122	<b>Paola</b>	5,593	4/1/94	60.0
123	<b>Parsons</b>	10,174	4/1/05	133.0
124	<b>Peabody</b>	1,156	4/1/01	9.0
125	<b>Pittsburg</b>	20,394	1/1/14	250.0
126	<b>Princeton</b>	267	4/1/94	5.5
127	<b>Ramona</b>	181	4/1/06	1.0
128	<b>Ransom</b>	289	1/1/95	2.0
129	<b>Reading</b>	228	4/1/06	2.0
130	<b>Roeland Park</b>	6,840	12/31/00	31.0
131	<b>Rose Hill</b>	3,960	4/1/94	23.0
132	<b>Russell</b>	4,484	1/1/94	75.0
133	<b>Satanta</b>	1,117	4/1/02	4.0
134	<b>Scranton</b>	693	4/1/12	6.0
135	<b>Sedan</b>	1,065	7/1/94	11.0
136	<b>Sedgwick</b>	1,701	4/1/94	9.0
137	<b>Sharon Springs</b>	756	4/1/06	8.5
138	<b>Smith Center</b>	1,641	4/1/13	21.5
139	<b>Spearville</b>	806	5/8/00	4.0
140	<b>Spring Hill</b>	5,896	4/1/01	35.0
141	<b>St. Francis</b>	1,312	4/1/05	20.0
142	<b>St. John</b>	1,244	4/1/16	15.5
143	<b>Stafford</b>	1,002	4/1/03	14.0

# KMIT Member List

## April 1, 2017

144	<b>Sterling</b>	2,303	4/1/15	16.5
145	<b>Stockton</b>	1,315	4/1/02	50.0
146	<b>Sylvan Grove</b>	268	4/1/12	2.0
147	<b>Tampa</b>	108	4/1/06	1.0
148	<b>Tescott</b>	318	4/1/95	2.0
149	<b>Tipton</b>	207	7/27/01	2.0
150	<b>Tonganoxie</b>	5,192	4/1/97	28.0
151	<b>Turon</b>	378	9/10/95	2.0
152	<b>Ulysses</b>	6,160	3/31/95	40.0
153	<b>Valley Center</b>	7,057	4/15/94	45.0
154	<b>WaKeeney</b>	1,797	4/1/03	20.0
155	<b>Wakefield</b>	967	1/1/95	3.0
156	<b>Walton</b>	239	4/1/94	2.0
157	<b>Wamego</b>	4,578	1/1/94	40.0
158	<b>Wellington</b>	7,942	4/1/95	123.0
159	<b>Wellsville</b>	1,822	3/31/01	10.0
160	<b>Westwood</b>	1,534	7/1/12	13.0
<b>Total</b>		<b>502,570</b>		<b>4,885</b>
<b>Small</b>		<b>98</b>		<b>1</b>
<b>Large</b>		<b>28,117</b>		<b>306</b>
<b>Median</b>		<b>1,534</b>		<b>13</b>
<b>Avg</b>		<b>3,161</b>		<b>31</b>
<b>City Pop.</b>				<b>FTE</b>
<b>Member City</b>				
		<b>Largest to Smallest</b>		
1	Dodge City	28,117		
2	Garden City	27,004		
3	Hays	21,044		
4	Pittsburg	20,394		
5	Newton	19,120		
6	Great Bend	15,840		
7	El Dorado	12,879		
8	Andover	12,509		

# KMIT Member List

## April 1, 2017

9	Arkansas City	12,205
10	Haysville	11,112
11	Atchison	10,771
12	Parsons	10,174
13	Augusta	9,242
14	Independence	9,162
15	Wellington	7,942
16	Fort Scott	7,874
17	Bonner Springs	7,553
18	Bel Aire	7,284
19	Valley Center	7,057
20	Roeland Park	6,840
21	Abilene	6,590
22	Eudora	6,303
23	Ulysses	6,160
24	De Soto	6,038
25	Spring Hill	5,896
26	Paola	5,593
27	Concordia	5,311
28	Tonganoxie	5,192
29	Basehor	5,119
30	Baldwin City	4,585
31	Wamego	4,578
32	Goodland	4,554
33	Russell	4,484
34	Edwardsville	4,380
35	Osawatomie	4,357
36	Clay Center	4,177
37	Maize	4,073
38	Larned	4,023
39	Rose Hill	3,960
40	Lindsborg	3,438
41	Marysville	3,295
42	Columbus	3,186
43	Hiawatha	3,108
44	Kingman	3,094
45	Ellsworth	3,076
46	Galena	2,966
47	Hillsboro	2,893
48	Osage City	2,862
49	Girard	2,773
50	Hoisington	2,664

# KMIT Member List

## April 1, 2017

51	Clearwater	2,531
52	Herington	2,413
53	Neodesha	2,400
54	Fredonia	2,372
55	Sterling	2,303
56	Cherryvale	2,283
57	Cheney	2,153
58	Ogden	2,138
59	Elkhart	2,113
60	Council Grove	2,106
61	Halstead	2,084
62	Oakley	2,075
63	Minneapolis	2,029
64	Medicine Lodge	2,021
65	Belleville	1,917
66	Marion	1,861
67	Wellsville	1,822
68	WaKeeney	1,797
69	North Newton	1,788
70	Oswego	1,781
71	Oberlin	1,749
72	Horton	1,732
73	Moundridge	1,726
74	Edgerton	1,703
75	Sedgwick	1,701
76	Douglass	1,692
77	Grandview Plaza	1,670
78	Smith Center	1,641
79	Belle Plaine	1,627
80	Westwood	1,534
81	Leoti	1,496
82	Arma	1,464
83	Hill City	1,454
84	Kinsley	1,451
85	Chapman	1,417
86	Johnson City	1,413
87	Harper	1,398
88	Stockton	1,315
89	St. Francis	1,312
90	Lincoln Center	1,266
91	St. John	1,244
92	Conway Springs	1,239

# KMIT Member List

## April 1, 2017

93	Haven	1,212
94	Peabody	1,156
95	Satanta	1,117
96	La Cygne	1,116
97	Oskaloosa	1,086
98	Sedan	1,065
99	Altamont	1,049
100	Stafford	1,002
101	Blue Rapids	997
102	Andale	981
103	Montezuma	979
104	Wakefield	967
105	Lake Quivira	934
106	Benton	872
107	Jetmore	864
108	Spearville	806
109	Eastborough	769
110	Sharon Springs	756
111	Frankfort	711
112	Scranton	693
113	Mound City	682
114	Bennington	665
115	Madison	661
116	Lecompton	637
117	Logan	569
118	Fowler	560
119	Olpe	537
120	Goessel	514
121	Centralia	508
122	Glasco	487
123	Florence	444
124	Bird City	439
125	Glen Elder	435
126	Lucas	393
127	Turon	378
128	Melvern	369
129	Hartford	367
130	Moline	344
131	Tescott	318
132	Brewster	304
133	Greeley	296
134	Ransom	289

# KMIT Member List

## April 1, 2017

135	Palco	282
136	Grainfield	275
137	Blue Mound	275
138	Sylvan Grove	268
139	Princeton	267
140	Neosho Rapids	262
141	Grinnell	258
142	McFarland	257
143	Hamilton	255
144	Lenora	240
145	Walton	239
146	Reading	228
147	Ford	220
148	Tipton	207
149	Grenola	203
150	Atlanta	194
151	Ramona	181
152	Allen	175
153	Beverly	159
154	Admire	154
155	Damar	132
156	Tampa	108
157	Chautauqua	106
158	Cullison	104
159	Esbon	98
Current Board Member		
Past Board Member		

## Don Osenbaugh

---

**From:** Don Osenbaugh [dosenbaugh@cox.net]  
**Sent:** Friday, March 24, 2017 8:41 AM  
**To:** 'Debbie Price'; David Dillner (El Dorado); 'Ty Lasher'; 'STEIER, CAREY'; 'Kerry Rozman'; 'Tim Hardy (Elkhart)'; 'Keith Schlaegel'; Michael Reagle (Garden City); Mike Webb (Edwardsville); 'Janie Cox'; Randy Frazer (Moundridge)  
**Cc:** Jess Cornejo (IMA); 'Furman, Deanna'  
**Subject:** KMIT. Approval Needed on City Application with 1.50 Mod

President Debbie and KMIT Board,

As per our own rules, I need your approval before I can accept the application for membership from the City of Frontenac, as their mod sits at 1.50.

The Board has been asked to approve in several similar situations in the past...not rare, but not common, either.

And, several times I haven't even brought one of these to the Board, as we didn't feel the city was in good enough condition to come in at the time.

So, I don't bring these to the Board unless I believe we should do it.

In this case, Frontenac's high mod is mostly driven by a single 'shock loss' (large claim), which happened in September 2015, which was an injury caused by an uninsured private motorist. The current claim reserve estimate pushes this one claim up to around \$140,000.

Frontenac appears to be a good risk, and they are coming in for all the right reasons, and not just because of the current high mod (which we will likely benefit from, in the form of higher premium, for the next several renewals, since it just came on the mod calc). A new

administrator with whom we have worked is wanting us to serve the city. This is a good thing.

Mostly, this request, in the past, has been via phone conference call, but I really don't think we need to do that on this one, AND...we are hurting a bit on time, since this deal just came up this week, and the renewal is April 1. We are not quite finished with our underwriting report (the last data piece just came in this morning), and will be sending on to Safety National (excess carrier), for its blessing, when we do, which I expect to be later today.

I am asking that you each REPLY ALL, so that everybody can see your response.

Thanks.

*DonO*

**Don Osenbaugh**

KMIT Pool Administrator

[www.kmit.net](http://www.kmit.net)

Municipal Consultant, CityCode Financial

[www.citycode.com](http://www.citycode.com)

[dosenbaugh@cox.net](mailto:dosenbaugh@cox.net)

316-259-3847

## Don Osenbaugh

---

**From:** Mike O'Neal [mike.oneal@onealconsulting.org]  
**Sent:** Friday, March 17, 2017 9:15 AM  
**To:** Don Osenbaugh  
**Subject:** Re: Fee Sweep case

Don

The terms of the offer make the settlement public. I agree that this very important. No limit on publication.

Mike

Sent from my iPhone

> On Mar 17, 2017, at 9:09 AM, Don Osenbaugh <dosenbaugh@cox.net> wrote:

>  
> Mike,  
>  
> KMIT is all for this, IF we can publish the court ruling anywhere we want to.

>  
> DonO  
> Don Osenbaugh  
> KMIT Pool Administrator  
> www.kmit.net  
> dosenbaugh@cox.net  
> 316-259-3847

> -----Original Message-----

> From: Mike O'Neal [mailto:mike.oneal@onealconsulting.org]  
> Sent: Tuesday, March 14, 2017 4:09 PM  
> To: Brent\_Sonnier@oxy.com; cluxem@khca.org; dosenbaugh@cox.net; dmcneely@kansasdealers.org; pope@marc.org; doug@kbiwcf.com; ereasoner@thomasmcgee.com; jimparrish@kworcc.com; joshua.ditmore@qchi.com; Kathy Taylor; kevin@leadingagekansas.org; lance.cowell@yahoo.com; mike.waters@qchi.com; patrick@kansasrealtor.com; tcox@krha.org; Aaronmansfield@curo.com  
> Cc: Jerry Green; Marsha J. Schrag  
> Subject: Fee Sweep case

>  
> Fee Sweep case participants

>  
> I have now heard back from Jeff Cheney, Chief Deputy A.G., with a response to our latest offer that gets us virtually where we want to be. I'll recap the offer he's making along with my suggestion and commentary:

>  
> The State will agree to cause to be returned to the three separate fee funds the entire amount of the 2009 sweeps, to wit, \$2.355M into the Workers Compensation fee fund, \$534,517 into the Bank Commissioner Fee Fund and \$195,671 into the Real Estate Fee Fund. The State further agrees to reimburse all attorney fees, which will be paid out of the amounts paid to reimburse the Real Estate Fee Fund and Bank Commissioner Fee Fund, the two funds that did not end up making additional assessments. I suggest that the attorney fee amounts be sent in one check to my trust account for client reimbursement since the fees were paid in proportion to the amount of sweeps and we have that formula.

>

> More importantly, the State has agreed to the following specific language to be incorporated into the settlement agreement, which they agree should be a public document rather than a confidential settlement under seal:

>

> "As cited by the Kansas Supreme Court, herein, (KBIWCF, et al, v. State, 302 Kan. 656, 2015), pursuant to K.S.A. 75-3036, 'moneys received by the State or to be used under constitutional or statutory provisions or under terms of a gift or payment for a particular and specific purpose are to be kept as separate funds and shall not be placed in the general fund or ever become a part of it, except by proper statutory enactment, and any such moneys which are wrongfully or by mistake placed in the general fund shall constitute a proper charge against such general fund....' The legislatively-enacted fee sweeps of the Workers' Compensation Fee Fund, the Real Estate Commission Fee Fund and the Bank Commissioner Fee Fund, contained within 2009 Senate Substitute for House Bill 2373 (Ch. 144 of the 2009 Session Laws of Kansas) were wrongful transfers to the State General Fund of Kansas and an improper use of the Kansas Legislature's authority to transfer moneys held in state agency fee funds to the State General Fund. The parties acknowledge that the above shall not constitute a waiver of any future defenses or immunities to the extent they exist with respect to future cases."

>

> The settlement, of course, is contingent on legislative approval and an appropriation of funds. I have been assured that this can and will be possible this session even in the face of the current budget situation. In exchange for the return of funds and the language in the agreement, we agree to waive any claim for class status, prejudgment interest and assessment of attorney fees (other than the agreed upon repayment of fees incurred to date out of fee refunds).

>

> I'm happy to address any questions you may have. It is my recommendation to accept this offer as I believe it achieves the objectives you have had me pursue. We have known since the return of the case to District Court that, short of going back through the appellate process to obtain a final reported case from the Kansas Supreme Court, a District Court decision that wasn't appealed or an agreed settlement with favorable settlement language, was our best possible outcome. After 7 years of litigation I believe this represents an excellent result. I know that there will be press interest in reporting the settlement, which will put public focus on the past practice of sweeping fee funds. Also, I am working with House Judiciary Chairman Finch, with the assistance of the Kansas Bankers Association, to pass a stricter statute dealing with fee sweeps. This, along with the settlement document and publicity about the settlement should provide a strong deterrent against future sweep attempts.

>

> I need to hear from each party as soon as practicable so we can give the go ahead to have the AG start drafting and working with the Legislature to schedule approval and appropriation of funds.

>

> Mike O'Neal  
> O'Neal Consulting, LLC  
> 800 SW Jackson St., Suite 818  
> Topeka, Ks. 66612  
> 620-727-0003  
> mike.oneal@onealconsulting.org

>  
>  
>  
>

# *Kansas Insurance Department*

## **Insurance Agent License**

**DONALD W. OSENBAUGH**

**License No. (NPN): 6096233**

I, KEN SELZER, Commissioner of Insurance of the State of Kansas, by the authority vested in me by law, do hereby authorize the licensee named hereon to act with powers indicated below.

<b>Lines of Authority</b>	<b>Effective Date</b>	<b>Renewal Date</b>
PROPERTY	March 13, 2001	July 09, 2019
CASUALTY	March 13, 2001	July 09, 2019
PERSONAL LINES	July 01, 2001	July 09, 2019
CROP	March 13, 2001	July 09, 2019



IN WITNESS WHEREOF, I have hereunto affixed the Office Seal of this Department in the city of Topeka, Kansas, on April 14, 2017.

**Ken Selzer, CPA**  
**Commissioner of Insurance**

NPN = National Producer Number