



# Board of Trustees

**Board Meeting**

**June 29, 2018**

**McPherson, Kansas**

KMU

2090 East Avenue A

9:00 AM

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

**9:00 AM, Friday, June 29, 2018**

**KMU\*, McPherson, KS**

1. Call-To-Order (Vice President David Dillner)
2. Welcome (if any)
3. Resignations: (1) Webb (2) Rozman
4. Trustee Absences / Quorum Declaration (Dillner)
5. Minutes Approval: Garden City Meeting of April 27, 2018 (Dillner)
6. Risk Management: Financial Reports (Kifer)
  - a. April 30, 2018 Financials
  - b. May 31, 2018 Financials
  - c. Fourth Quarter (12/31) 2017 AUDITED KID Report
  - d. First Quarter (3/31) 2018 KID Report--Revised
  - e. May 31, 2018 Cash and Investment Summary (Osenbaugh)
7. Risk Management: Annual Actuary [Milliman] Report (Cornejo)
8. Risk Management: Annual Financial Audit (Stuart Bach--Summers, Spencer & Co.)
9. Claims Management: Settlement Authority & Reserve Advisory (Miller)
10. Loss Control Management: Activities/Update (Rhodes)
11. Admission of New Member Entity (Osenbaugh)
12. Policy #5: *Ad Hoc* Board Position for Community College Members [Discussion] (Osenbaugh)
13. Appointment of 2018 Nominating Committee (Dillner)
14. Administrator Update
15. Other Business
16. Adjourn (approximately 12:00 Noon)

# CITY OF EDWARDSVILLE

---



May 25, 2018

690 S. 4<sup>th</sup> St.  
P.O. Box 13738  
Edwardsville, KS 66113  
(913) 356-6000  
Fax (913) 441-3805

KMIT Board of Trustees  
2250 N. Rock Rd, Ste. 118-PMB 302  
Wichita, KS 67226

Dear Board of Trustees:

It has come to my attention that the Executive Committee recently met to discuss, among other matters, my service on the Board of Trustees (Board) due to my position as Chair of Midwest Public Risk (MPR) and Midwest Public Risk-Kansas (MPR-KS). The Executive Committee has further expressed concerns that MPR and MPR-KS has investigated initiating a Workers Compensation program in Kansas and that such activity would be unacceptable to KMIT.

MPR-Missouri includes a workers compensation pool and the members of MPR-KS through its Board of Directors directed MPR staff including the Executive Director to explore the potential of a similar pool in Kansas. This research has been going on for several years and has included discussions with other Kansas pools including KMIT about possible partnerships. The KMIT Board elected not to pursue a formal partnership, but the two organizations have worked together in serving Kansas cities.

As each of you know, I was serving on the Board of Directors for MPR and MPR-KS when I was approached to serve on the KMIT Board. Subsequently I was elected to serve as the Chair of both MPR Boards. I believe during my tenure on the KMIT Board that I have been open and honest about my service to both organizations, and have served both organizations with honor and integrity. I have not been approached by a member of either Board about information about the other organization, nor have I shared any information from either Board with the other Board. The interactions with each of you has been professional in every way.

With this said, I believe it's in the best interest of both organizations that I step down from the KMIT Board of Trustees to ensure there is absolutely no perception of a conflict of interest. Like each of you, I believe in the highest standards of public service. In closing, I have thoroughly enjoyed my service to the members of KMIT and the KMIT Board and have enjoyed getting to know each of you. I look forward to seeing each of you at the many other professional conferences and events we attend.

Sincerely,

  
Michael Webb

## Don Osenbaugh

---

**From:** Michael Webb [mwebb@edwardsvilleks.org]  
**Sent:** Tuesday, May 29, 2018 11:23 AM  
**To:** Carey Simons (Pittsburg); David Dillner (El Dorado); Greg DuMars (Lindsborg); Janie Cox (Haysville); Keith Schlaegel (Stockton); Kerry Rozman (Clay Center); Michael Reagle (Garden City); Randy Frazer (Moundridge); Tim Hardy (Elkhart); Ty Lasher (Bel Aire); Bobby Busch (Neodesha); Carol Eddington (Oswego); Daron Hall (Pittsburg); Debbie Price (Marysville); 'Herb Llewellyn'; Jay Byers (Pittsburg); Lana McPherson (De Soto); Larry Paine (Hillsboro); Mac Manning; Steve Archer; Toby Dougherty (Hays)  
**Cc:** Don Osenbaugh; Terry Norwood  
**Subject:** KMIT Board Service  
**Attachments:** Letter of Resignation~KMIT.pdf

Board of Trustees. It is with regret that I submit the attached letter of resignation from the KMIT Board of Trustee. As I state in the letter, it has been great serving with each of you. Michael

*Michael Webb*

City Manager

[mwebb@edwardsvilleks.org](mailto:mwebb@edwardsvilleks.org)

913-356-6000 (main)

913-356-6004 (direct)



# Kansas Municipal Insurance Trust

2250 N. Rock Rd. Ste 118-PMB302 Wichita, KS 67226



2017/2018

## Board of Trustees

**Randy Frazer**  
President  
Moundridge

**David Dillner**  
Vice President  
El Dorado

**Kerry Rozman**  
Treasurer  
Clay Center

**Tim Hardy**  
Past President  
Elkhart

**Keith Schlaegel**  
Stockton

**Michael Reagle**  
Garden City

**Ty Lasher**  
Bel Aire

**Janie Cox**  
Haysville

**Carey Simons**  
Pittsburg

**Michael Webb**  
Edwardsville

**Greg DuMars**  
Lindsborg

**Don Osenbaugh**  
Pool Administrator

Michael Webb, MPR Board Chair and MPR-KS Board Chair  
Terry Norwood, MPR President/CEO

May 23, 2018

Michael and Terry,

I am writing this letter to both of you with the direct approval of KMIT President Randy Frazer, and on behalf of the KMIT Executive Committee.

And, I write this letter in the spirit of continued friendship and cooperation.

Terry, as you know first-hand, general conversation took place in early and mid-2013 between MPR and KMIT; the subject was joining forces in some way, with MPR providing P&L coverage, as it had already been doing in Kansas for some time at that point. In June of that year, you and then-MPR-KS President Jack Helin (Bonners Springs, a KMIT member city) attended, at your request, a KMIT Trustee meeting in Andover. Subsequent to that, you and I, and Melanie Matt, met at least once later on (I recall either a lunch or dinner at Applebee's in Ottawa), and I also attended the MPR Annual Meeting and Conference in Branson that September (2013), at your invitation. Ultimately, KMIT and MPR 'agreed' to remain casual business associates and friendly cooperatives, KMIT decided it was not interested in carrying on any kind of *formal* business partnership (your P&L combined with our work comp), nor was I.

Since that time, KMIT has participated/cooperated indirectly (mostly through local agents) with MPR on a number of occasions, and I have personally referred cities and agents (most recently just this spring) to MPR as a possible resource for P&L coverage. I have spoken with Melanie many times at conferences and other meetings (most recently in Wichita, during the CCMFOA Spring Conference in March), and she and I have enjoyed several lengthy and good conversations--I never got any



feeling from Melanie that MPR and KMIT were rivals. In other words, the relationship between MPR and KMIT has always been productive and cordial.

Throughout the entire time I have known, and worked with, MPR (prior to late last summer, 2017), I had never once heard of any discussion of MPR doing any *current* study or research, or taken any steps, towards developing and marketing a work comp pool in Kansas. In fact, when (on behalf of the KMIT Nomination Committee) I asked Mike to come onto the KMIT Board two years ago (summer of 2016), it was with the same spirit of cooperation and friendship that had always been the norm in our (KMIT/MPR) joint relationship. And even though I was questioned by others at that time about having an MPR Board member on the KMIT Board, and even though Mike reminded me at that time that MPR had, at one time, considered work comp in Kansas, and could possibly study that again in the future, I still felt Mike was a good choice for our Board for more than one reason.

The picture changed somewhat for me late last summer or very early fall (2017), when, in the course of a few weeks, several KC-area associates (three in all, as I recall) implored me talk to Mike about MPR having discussions regarding work comp in Kansas. I contacted Mike at that time (via email, I think...), and set about trying to arrange a face-to-face meeting to find out what was going on. Due to schedule conflicts, that meeting did not take place until the KACM Fall Conference (Lenexa, November 17). Randy Frazer sat in on that meeting.

That November (2017...just over six months ago) meeting, lasted nearly an hour, and was direct and very specific. During the conversation, I made it extremely clear to Mike that any movement by MPR toward establishing a work comp pool in Kansas would put an immediate end to the cordial and cooperative relationship with KMIT. And, that KMIT would see such a move as an intentional act which would affect the security of the KMIT pool, and that Mike would be immediately considered to be in a direct conflict-of-interest position (or words to that effect).

Mike made it clear that MPR considered itself free to pursue a work comp pool, and that that action was always a possibility, while also maintaining that no current such planning was going on. He also made a point of informing Randy and me that he fully understood the ethics of the situation, and was more than capable of coming to a conflict-of-interest conclusion when and if that was the case, which it was not at that time (or words to that effect).

That meeting was somewhat tense, but I thought we left as friends, and teammates, who continued to understand each other. Mike continued on as a KMIT Trustee, and no mention of the Lenexa meeting was made to the KMIT Board (and none has been made to this date...until just this past week, and then only to the KMIT Executive Committee--Randy Frazer, David Dillner, Kerry Rozman and Tim Hardy).



No further discussion among/between anybody with KMIT had taken place on this issue between November 2017 and the recent weekend of April 30/May 1.

Over that weekend several weeks ago, I received an email from an associate who noticed the work session notice (attached) on the MPR site, calling for, "WORK SESSION: A. Worker's Compensation - KID Approval". It is hard to read that and not conclude that MPR is talking seriously about work comp in Kansas. "KID Approval" is a very specific thing. That action, KID Approval, even just a discussion, would, in my view, reflect exactly what Mike told Randy and me six months ago that he understood would be a conflict-of-interest.

While Mike is the President of MPR-Kansas and also the President of the overall MPR board, he remains a KMIT Board Trustee. He attends every meeting of KMIT; he receives our detailed information packets and participates in the full range of subjects being discussed at KMIT Board meetings. He knows about the workings of KMIT as much as does any other board member. He has the trust of the Board, and me, to be totally loyal to KMIT. To have a person who is intimately involved with all the financials, marketing strategies, i.e., 'business plan', etc. of KMIT who is also the Chair of the Board of a similar organization which is, perhaps, planning to become a direct 'competitor' to KMIT just does not have a friendly, nor *tolerable*, feel to it.

After several discussions (email, phone and face-to-face) during that first week of May, KMIT President Frazer and I agreed that he (Randy) would email Mike (attached), seeking a *full, written, explanation* of what was seemingly a specific work comp effort by MPR-KS. Mike's written reply (attached) was mostly just to restate what he had already said to us back in November. He did not explain in any detail whatsoever exactly what WAS going on right now with MPR perhaps working to establish a work comp pool in Kansas. He reiterated [paraphrasing] in that response that it was his position that he was not being a part of anything that should be considered a conflict, and said he understood the ethics of the issue quite well.

President Frazer called a meeting of the Executive Committee, and the Committee agreed that this situation is somewhat alarming, and must be *immediately clarified and rectified*. And, that the Committee can only conclude that MPR is planning a work comp pool, given what we have seen and have been shown to date. That posture would not be acceptable to the Committee, and would almost surely result in some kind of definitive KMIT Board action absolutely as soon as possible.

To that end, the KMIT Executive Committee is meeting again, on **Thursday, June 14, in Hutchinson**. Both of you are invited to join us for a lunch meeting on that day. We are anxious to know exactly what is going on...in DETAIL.

We remain open to resolving this issue in a friendly way, if that is possible. But, we simply must require, at a minimum, a level of full specificity of activity by MPR-Kansas to even consider this issue to be explainable. And, any 'friendly' resolution *cannot* include MPR studying, planning, researching, 'considering', etc. anything toward the establishment of a work comp pool in Kansas while Mike is serving on the KMIT Board.

The meeting on the 14<sup>th</sup> will be at 12 noon, at the Hutchison Municipal Airport. My sincere hope and desire is that both of you come to Hutchinson and talk to us. We do want to hear what you have to say.

A handwritten signature in blue ink that reads "Don Osenbaugh". The signature is written in a cursive, flowing style.

Don Osenbaugh  
KMIT Pool Administrator



## Don Osenbaugh

---

**From:** Randy Frazer [RFrazer@Moundridge.com]  
**Sent:** Monday, May 7, 2018 9:05 AM  
**To:** Michael Webb  
**Cc:** Don Osenbaugh  
**Subject:** KMIT  
**Attachments:** 04\_18\_2018 MPR KS Work Session Agenda 2018-04-29 22\_25\_19.pdf; 04\_18\_2018 MPRKS Board Agenda.pdf

Mike,

It was recently brought to my attention that MPR is apparently well into the process of becoming a work comp competitor to KMIT (see attached). At least it sure seems that way.

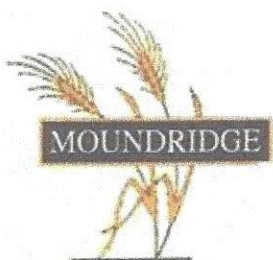
That would come as a surprise, and a bit of shock, to me, following the conversation that Don Osenbaugh (and I) had with you in Lenexa last November (during the KACM Fall Conference), during that conversation I thought it was made exceedingly clear that KMIT would see any specific movement by MPR toward the establishment of a Kansas MPR work comp pool as a direct and specific conflict of interest for you in your role as a Board member of KMIT, and as the current President of MPR-KS.

I think this issue requires, at a minimum, a thorough explanation from you.

Please send me your written response to this question absolutely as soon as possible.

I have called a meeting our KMIT Executive Committee, which will take place in the very near future, and I will be discussing this situation with the Committee.

I consider this issue to be of extreme importance and urgency to KMIT.



*Where community is a way of life, caring is commonplace, excellence is the standard, and healthy growth leads to prosperity.*

***Randy Frazer, CPM***

**City Administrator**

**City of Moundridge, Kansas**

225 S. Christian Ave.

Box 636

Moundridge, KS 67107

[rfrazer@moundridge.com](mailto:rfrazer@moundridge.com)

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Midwest Public Risk  
19400 East Valley View Parkway  
Independence, MO 64055

MIDWEST PUBLIC RISK OF KANSAS, INC  
BOARD OF DIRECTORS  
19400 E. VALLEY VIEW PARKWAY  
INDEPENDENCE, MO 64081  
April 18, 2018  
8:30 A.M.

#### WORK SESSION

A. Workers' Compensation – KID Approval



## Don Osenbaugh

---

**From:** Michael Webb [mwebb@edwardsvilleks.org]  
**Sent:** Tuesday, May 8, 2018 4:32 PM  
**To:** Randy Frazer  
**Cc:** Don Osenbaugh  
**Subject:** RE: KMIT

Randy. Let me begin by stating as a professional city manager, I take my ethics very serious. When I was asked by Don to join the KMIT Board, I was very clear of my engagement with MPR. Further, I've been very clear that the MPR-KS Board, even prior to my service as the chairman, has directed its Executive Director to explore the issues of encompassing Workers Compensation into its service offerings in Kansas. This research has been ongoing for several years including conversations with both KMIT and KERIT.

To date, the Board of Directors of MPR and MPR-KS have not adopted a Kansas Workers Compensation program. However, it is possible for MPR-KS to add this line of service should it elect to do so. Obviously, this is a decision for the Boards on behalf of its members.

In closing, I fully agree that I could not actively serve on both boards should MPR and MPR-KS elect to offer Workers Compensation in Kansas and I've been very public about this with you, Don and other members of the Board. I've also been clear about this with the MPR-KS board. However, I do believe I've been a valuable member of the KMIT board and have not participated in any votes contrary to the best interest of KMIT. Finally, the City of Edwardsville continues to be an active member of KMIT and will continue to do so as long as it's a member.

I'm happy to discuss this with you, Don, the Executive Committee and/or the Board of Directors.

Michael

*Michael Webb*

City Manager  
[mwebb@edwardsvilleks.org](mailto:mwebb@edwardsvilleks.org)  
913-356-6000 (main)  
913-356-6004 (direct)

---

**From:** Randy Frazer [mailto:RFrazer@Moundridge.com]  
**Sent:** Monday, May 07, 2018 9:05 AM  
**To:** Michael Webb <[mwebb@edwardsvilleks.org](mailto:mwebb@edwardsvilleks.org)>  
**Cc:** Don Osenbaugh <[dosenbaugh@cox.net](mailto:dosenbaugh@cox.net)>  
**Subject:** KMIT

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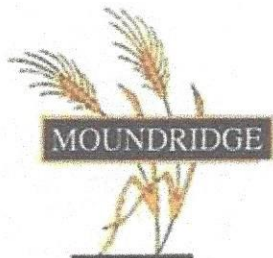
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***Randy Frazer, CPM***

**City Administrator**

**City of Moundridge, Kansas**

225 S. Christian Ave.

Box 636

Moundridge, KS 67107

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# DE SOTO

KANSAS

Rick Walker  
Mayor

June 20, 2018

Michael D. Brungardt, P.E.  
City Administrator  
City Engineer

Lana R. McPherson  
MMC  
City Clerk

Patrick G. Reavey  
City Attorney

KMIT Board of Trustees  
2250 N. Rock Road  
Suite 118-PMB 302  
Wichita, KS 67226

Dear KMIT Board of Trustees:

Yesterday I attended the Midwest Public Risk board meeting. I serve on the Kansas MPR board, which I stated to the KMIT board during the KMIT board meeting in December. After yesterday's reading of the letter directed to Terry Norwood of Midwest Public Risk sent by Don on behalf of the Executive Committee of KMIT, I believe it is in the best interest of KMIT that I resign as a member of the KMIT Advisory Board. I realize this is not a voting position; however, it is still a position of service to KMIT.

City Council:

Rob Daniels

Kevin Honomichl

Danny Lane

Lori Murdock

Kevin Ritter

I do not want there to be any question or any perception whatsoever of a conflict of interest since I do serve on the MPR board. I have always been proud of my service to KMIT and do not want to tarnish my public service with any question of my integrity or loyalty on either board. I greatly enjoyed my time serving on the KMIT board and was honored to be asked to serve on the KMIT Advisory Board.

I will look forward to seeing each of you at future conferences we attend.

Respectfully,



Lana R. McPherson, MMC  
City Clerk

[www.desotoks.us](http://www.desotoks.us)

PO Box C  
32905 W 84th St  
De Soto, KS 66018

913-583-1182  
Fax 913-583-3123

## Don Osenbaugh

---

**From:** Lana McPherson [lmcpherson@desotoks.us]  
**Sent:** Wednesday, June 20, 2018 4:29 PM  
**To:** David Dillner (El Dorado); Greg DuMars (Lindsborg); Janie Cox (Haysville); Keith Schlaegel (Stockton); Jay Byers (Pittsburg); Kerry Rozman (Clay Center); Michael Reagle (Garden City); Randy Frazer (Moundridge); Tim Hardy (Elkhart); Ty Lasher (Bel Aire); Bobby Busch (Neodesha); Carol Eddington (Oswego); Daron Hall (Pittsburg); Debbie Price (Marysville); 'Herb Llewellyn'; Don Osenbaugh; Larry Paine (Hillsboro); Mac Manning; Steve Archer; Toby Dougherty (Hays); Carey Simons (Pittsburg)  
**Subject:** KMIT Advisory Board  
**Attachments:** DOC062018.pdf

Good afternoon, KMIT Board: After much thought and consideration yesterday and today, I have attached my letter of resignation from the KMIT Advisory Board. It has always been a pleasure to serve KMIT in any capacity. I have enjoyed working with you and taking part in the interesting discussions that were held. I look forward to seeing you and visiting when we meet up at future conferences and events. My best regards always to KMIT and to those who selflessly give of their time and talents to public service.

Lana R. McPherson  
2018-19 IIMC President Elect  
Lana R. McPherson, MMC, City Clerk

City of De Soto  
32905 W. 84th Street  
De Soto, KS 66018  
913.586.5250 Direct  
913.583.3123 Fax

[www.desotoks.us](http://www.desotoks.us)

I am of the opinion my life belongs to the community; and as long as I live, it is my privilege to do for it whatever I can. George Bernard Shaw

### NOTICE

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## Don Osenbaugh

---

**From:** Lana McPherson [lmcpherson@desotoks.us]  
**Sent:** Thursday, June 21, 2018 7:53 AM  
**To:** Don Osenbaugh  
**Subject:** RE: KMIT Advisory Board

Good morning, my friend. It was tough for me, but I serve on the MPR board and until my term is up, I had no choice at this time. MPR is going to move forward with a work comp program and I cannot ethically remain on the KMIT Advisory Board. I know that isn't a voting position, but I don't want anyone to question my integrity or ethics on either board. It was an honor and my pleasure to serve KMIT. I would never knowingly put you or a board member in a position to question my ethics. I value our friendship over these past years and I trust you will remain my friend and my 'go to guy' with answers to the crazy questions I ask you.

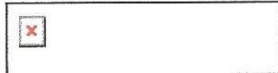
On another note, I wanted to let you know I was sworn in as IIMC President-Elect in May in Norfolk, VA. Next May, 2019, in Birmingham, AL, I will (Lord willing) be sworn in as IIMC President! I'm still pinching myself. Who would have thought this old gal from small town De Soto, Kansas would ever represent 15,000 clerks world-wide? I didn't know beans about being a city clerk when I walked into city hall 20 years ago on June 15, 1998. I was truly blessed by many who graciously took me under their wing and mentored me, taught me, directed me, and most of all, were kind and patient while I learned to be a city clerk. So, thank you! You made a difference in my life which has brought me great joy and helped me with a major accomplishment. My work with IIMC is keeping me busy in my spare time at home and weekends, and I love every minute of making new friends across the U.S. and around the world. SO many talented people.

Lana

*Lana R. McPherson* 

2018-19 IIMC President Elect

Lana R. McPherson, MMC, City Clerk

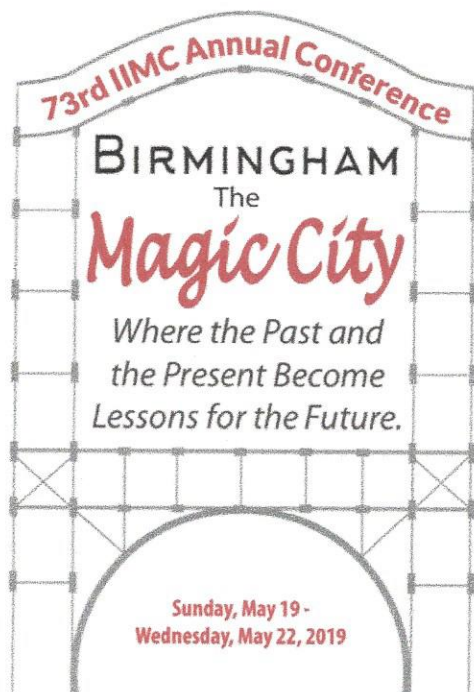


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---

**From:** Don Osenbaugh [mailto:dosenbaugh@cox.net]  
**Sent:** Wednesday, June 20, 2018 6:28 PM  
**To:** Lana McPherson <lmcperson@desotoks.us>  
**Subject:** RE: KMIT Advisory Board

Lana,

I am sorry to see you choosing to leave a KMIT role; especially after all these years of our personal friendship and mutual loyalty.

I never really got the chance to tell you that you were right late last summer when you twice urged me to confront Mike Webb about coming after KMIT by way of MPR entering the work comp market in KS. I took your advice, and I did talk to Mike, very seriously, in early November; at which time he denied any specific such activity. He was not asked to leave the Board, and he stayed on, since, in his view, he had no ethics or conflict of interest issue.



MPR and KMIT were friends (and have cooperated on several packages with cities, and share some city business), and I told him so at that time. I also told him we were not likely to stay friends if and when MPR starting actively going after KMIT.

He still felt he had no conflict of interest as late as when confronted about the obvious truth of the matter in May, and still even when he resigned from the KMIT Bd several weeks later.

I believe in the truth. I am telling you the truth as I know it to be.

Being on the MPR-Kansas Board, you must already know much of this, or so I presume.

DonO

---

**From:** Lana McPherson [<mailto:lmcperson@desotoks.us>]

**Sent:** Wednesday, June 20, 2018 4:29 PM

**To:** David Dillner (El Dorado); Greg DuMars (Lindsborg); Janie Cox (Haysville); Keith Schlaegel (Stockton); Jay Byers (Pittsburg); Kerry Rozman (Clay Center); Michael Reagle (Garden City); Randy Frazer (Moundridge); Tim Hardy (Elkhart); Ty Lasher (Bel Aire); Bobby Busch (Neodesha); Carol Eddington (Oswego); Daron Hall (Pittsburg); Debbie Price (Marysville); 'Herb Llewellyn'; Don Osenbaugh; Larry Paine (Hillsboro); Mac Manning; Steve Archer; Toby Dougherty (Hays); Carey Simons (Pittsburg)

**Subject:** KMIT Advisory Board

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Lana R. McPherson  
2018-19 IIMC President Elect  
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City of



427 COURT, P O BOX 117 • CLAY CENTER, KS 67432  
Phone: [785] 632-5454 • Fax: [785] 632-3943 • [www.cityofclaycenter.com](http://www.cityofclaycenter.com)

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*"The City Beautiful"*

June 14, 2018

Mr. Randy Frazer, President  
Kansas Municipal Insurance Trust  
225 S Christian Avenue  
Moundridge, KS 67107

Re: Resignation

Dear Randy:

It is with regret that I tender my resignation on the KMIT Board effectively immediately. Mayor Thatcher and I have discussed this in great length. It was decided that due to time constraints and my on-going health issues, that I need to step down.

It has been an honor to serve on the Board and Executive Committee. The knowledge and experience have been invaluable. The friendships developed and grown have been by far the biggest benefit.

I wish you all well and look forward to a continued relationship with Kansas Municipal Insurance Trust Board and its' services.

Thank you,

Kerry Rozman  
City Clerk

# KANSAS MUNICIPAL INSURANCE TRUST

## Board of Trustees Minutes from April 27, 2018

*Unapproved*

**Meeting Convened:** Friday, April 27, 2018, at the Garden City Administration Building, in Garden City, KS. The meeting was called to order by KMIT President Randy Frazer at 9:03 A.M.

**Welcome:** Frazer welcomed all.

**Members Present:** *Board Members Present:* President Frazer (Moundridge), Vice President David Dillner (El Dorado), Treasurer Kerry Rozman (Clay Center), Past President Tim Hardy (Elkhart), Janie Cox (Haysville), Carey Simons (Pittsburg), Greg DuMars (Lindsborg), Keith Schlaegel (Stockton). *Staff:* Barbie Kifer (CORnerstone), Kyle Johnston (CORnerstone), Jess Cornejo (CORnerstone), Renee Rhodes (IMA), Gene Miller (TRISTAR), and Don Osenbaugh (KMIT Pool Administrator). *Guest:* Ryan Box (Commerce Bank).

**Trustee Absences/Quorum Declaration:** Michael Reagle (Garden City), Michael Webb (Edwardsville) and Ty Lasher (Bel Aire) were absent. A quorum was declared by Frazer.

**Minutes Approval:** The minutes from the Bel Aire meeting of February 23, 2018 were unanimously approved as written, following a motion by Dillner and a second by Rozman.

### **Financial Reports:**

- a. February 28, 2018 Financials
- b. March 31, 2018 Financials (revised version distributed at meeting)
- c. First Quarter (1/31) 2018 KID Financial Report
- d. March 31, 2018 Cash/Investments Summary

Motion to approve the above reports made by Dillner; second by DuMars. Approved unanimously.

**Reserve Advisory and Settlement Authority:** Miller presented the following claims--

1. Claim #18710922 (Larned)--Reserve Advisory only.
2. Claim #18712165 (Fredonia)--Reserve Advisory only.
3. Claim #18714294 (Halstead)--Reserve Advisory only.
4. Claim #18716650 (Goodland)--Reserve Advisory only.
5. Claim #17685275 (Fort Scott)--Reserve Advisory only.
6. Claim #18702074 (Wamego)--Reported that the final settlement was in the total amount of \$205,000.

Miller also gave an overview of recently-passed Kansas legislation (KSH 2184), which increased the amounts of certain work comp benefits.

**Loss Control Activities:** Rhodes gave a report and presented several charts and graphs about loss history. Rhodes also gave a short summary of the recent trenching/excavating training sessions, held in Hays and Fort Scott.

**Ad Hoc Committee:** Dillner reported that the Committee had asked for, received and reviewed proposals from WSU and IMA for certain administrative services. The Board decided to take no action on anything to do with this subject, by consensus. The discussion is now closed.

**New Member:** Garden Plain will become a member of KMIT on May 1, 2018. (Spring Hill exited KMIT on April 1.)

**Annual Investment Review:** KMIT's Investment Advisor, Ryan Box (of Commerce) gave a PowerPoint presentation and answered questions. Osenbaugh reviewed the KMIT Investment Matrix.

**Annual Marketing Review:** Osenbaugh presented the annual marketing review.

**Admitting Community Colleges:** Osenbaugh informed the Board that there was some interest in KMIT by certain community colleges, via several IMA producers. Following a motion by Hardy and a second by Dillner, the Board voted unanimously to approve extending quotes and pool membership to community colleges. Following that vote, the Board also approved unanimously to offer quotes to K-12 school districts (motion by Dillner and second by Rozman).

**Other Business:** Osenbaugh gave a brief update concerning a number of issues related to the operation of KMIT.

**Adjournment:** Motion to adjourn by Dillner; second by Rozman. Unanimous. Adjourned at 12:08 P.M.

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Don Osenbaugh, Pool Administrator (acting as Trustee-Designated Secretary)



# KMIT Balance Sheet

April 30, 2018

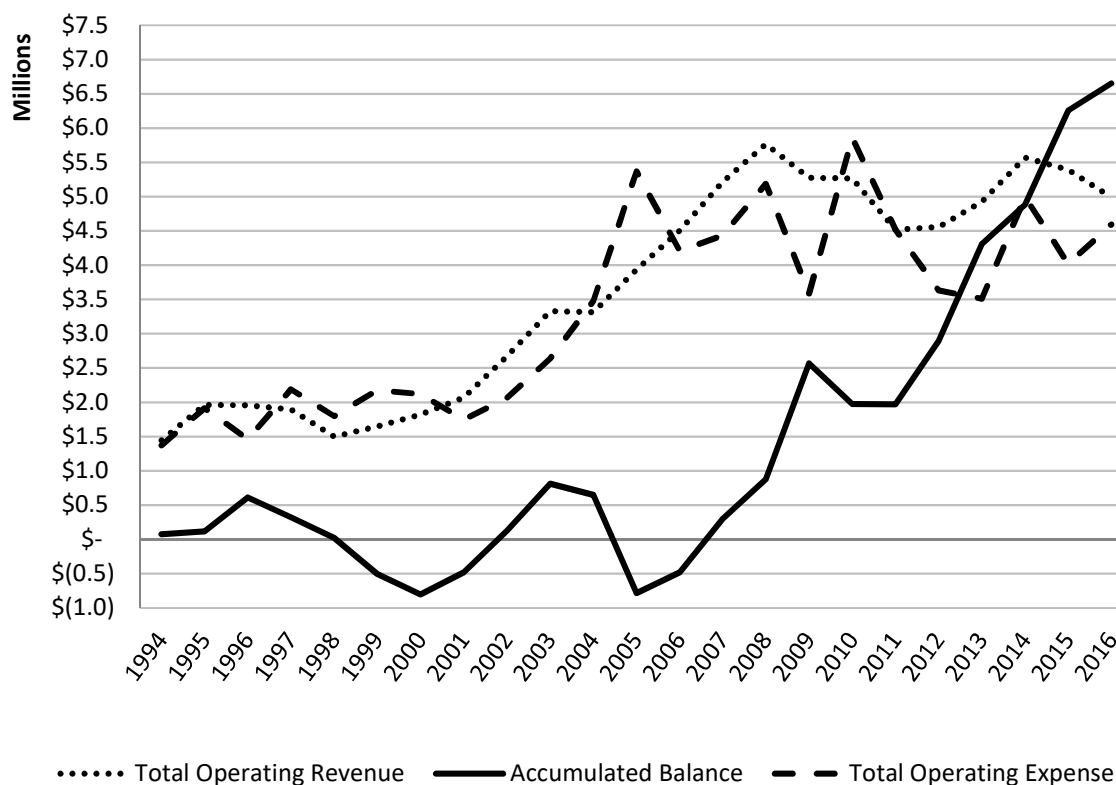
## ASSETS

Checking Accounts	\$ 190,347
Investments	\$ 17,392,631
Accrued Interest	\$ 103,710
Accounts Receivable	\$ 18,334
Excess Premium Receivable	\$ 17,063
Specific Recoverable	\$ 301,168
Aggregate Recoverable	\$ 7,011
Prepaid Expenses	\$ 418,514
<b>Total Assets</b>	<b>\$ 18,448,778</b>

## LIABILITIES & EQUITY

Accounts Payable	\$ 10,351
Excess Premium Payable	\$ -
Reserve for Losses	\$ 4,803,605
IBNR Reserve	\$ 4,320,051
Deposits on Premium	\$ 3,172,656
Accrued Taxes and Assessments	\$ 447,774
<b>Total Liabilities</b>	<b>\$ 12,754,438</b>
<b>Total Equity</b>	<b>\$ 5,694,341</b>
<b>Total Liabilities and Equity</b>	<b>\$ 18,448,778</b>

## KMIT Financial Overview



# KMIT Profit and Loss

April 30, 2018

	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>															
	\$ 477,137	\$ 601,545	\$ 492,669	\$ 527,664	\$ 492,046	\$ 456,693	\$ 450,174	\$ 437,033	\$ 533,041	\$ 649,336	\$ 739,039	\$ 818,775	\$ 907,040	\$ 917,168	\$ 957,594
<b>CLAIMS FUND EXPENSE</b>															
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,073,604	\$ 2,005,402	\$ 1,743,526	\$ 1,445,901	\$ 1,097,496	\$ 1,211,714	\$ 1,874,209	\$ 2,291,676	\$ 3,927,625	\$ 2,606,905	\$ 2,775,472	\$ 3,329,879
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,802	\$ 85,686	\$ 143,973	\$ 123,509	\$ 83,220	\$ 129,112	\$ 149,296	\$ 150,336	\$ 246,559	\$ 182,196	\$ 193,457	\$ 238,632
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ 56,339	\$ 51,544	\$ 8,693	\$ -	\$ -	\$ -	\$ 38,336	\$ 128,698	\$ 53,899	\$ 103,861	\$ 183,872
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ -	\$ 4,683	\$ 3,957	\$ 2,213	\$ -	\$ -	\$ -	\$ 503	\$ 15,854	\$ 18,729	\$ 12,253	\$ 12,386
IBNR Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ (2,921)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,690	\$ 43,290	\$ 52,965	\$ 64,938	\$ 155,593
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	\$ -	\$ -	\$ -	\$ -	\$ (180,999)	\$ 48,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (740,988)	\$ (232,568)	\$ -	\$ -	\$ -	\$ (400,137)	\$ -	\$ (188,126)	\$ -	\$ (53,999)	\$ (66,549)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,011)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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>\$ 1,306,658</b>	<b>\$ 1,719,169</b>	<b>\$ 1,667,135</b>	<b>\$ 1,307,883</b>	<b>\$ 1,530,284</b>	<b>\$ 1,990,358</b>	<b>\$ 2,740,976</b>	<b>\$ 4,548,371</b>	<b>\$ 3,299,120</b>	<b>\$ 3,516,711</b>	<b>\$ 4,226,603</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>\$ 1,798,704</b>	<b>\$ 2,175,863</b>	<b>\$ 2,117,309</b>	<b>\$ 1,744,916</b>	<b>\$ 2,063,325</b>	<b>\$ 2,639,694</b>	<b>\$ 3,480,015</b>	<b>\$ 5,367,146</b>	<b>\$ 4,206,160</b>	<b>\$ 4,433,878</b>	<b>\$ 5,184,197</b>
<b>BALANCES</b>															
KMIT Statutory Fund Balance	\$ 74,486	\$ 43,543	\$ 495,283	\$ (290,597)	\$ (300,346)	\$ (526,795)	\$ (297,923)	\$ 322,434	\$ 606,319	\$ 687,287	\$ (164,299)	\$ (1,433,079)	\$ 300,966	\$ 781,722	\$ 580,774
<b>Accumulated Balance</b>	<b>\$ 74,486</b>	<b>\$ 118,029</b>	<b>\$ 613,312</b>	<b>\$ 322,715</b>	<b>\$ 22,368</b>	<b>\$ (504,427)</b>	<b>\$ (802,350)</b>	<b>\$ (479,915)</b>	<b>\$ 126,403</b>	<b>\$ 813,690</b>	<b>\$ 649,391</b>	<b>\$ (783,687)</b>	<b>\$ (482,721)</b>	<b>\$ 299,001</b>	<b>\$ 879,774</b>

# KMIT Profit and Loss

April 30, 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2018	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	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	\$ 4,829,526	\$ 5,007,888	\$ 1,641,119	\$ 4,900,000	\$ 87,605,858
Interest Income	\$ 81,601	\$ 52,768	\$ 72,925	\$ 70,104	\$ 71,861	\$ 107,601	\$ 128,600	\$ 160,374	\$ 220,606	\$ 74,389	\$ 165,000	\$ 2,840,989
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>\$ 4,989,900</b>	<b>\$ 5,228,494</b>	<b>\$ 1,715,508</b>	<b>\$ 5,065,000</b>	<b>\$ 90,457,549</b>
<b>ADMINISTRATION FUND EXPENSE</b>	<b>\$ 952,147</b>	<b>\$ 1,035,291</b>	<b>\$ 968,230</b>	<b>\$ 933,373</b>	<b>\$ 996,315</b>	<b>\$ 1,071,452</b>	<b>\$ 1,049,702</b>	<b>\$ 1,126,523</b>	<b>\$ 1,221,802</b>	<b>\$ 478,997</b>	<b>\$ 1,230,000</b>	<b>\$ 19,290,787</b>
<b>CLAIMS FUND EXPENSE</b>												
Claims Paid Expense	\$ 2,030,707	\$ 3,859,176	\$ 2,716,995	\$ 1,920,029	\$ 1,706,794	\$ 3,221,621	\$ 1,660,623	\$ 1,480,376	\$ 1,407,967	\$ 203,032	\$ -	\$ 49,146,704
Claims Paid Adjusting Expense	\$ 133,200	\$ 187,709	\$ 147,971	\$ 170,234	\$ 129,206	\$ 139,123	\$ 133,513	\$ 104,630	\$ 84,437	\$ 9,943	\$ -	\$ 3,183,136
Claims Reserve Expense	\$ 19,319	\$ 238,729	\$ 145,739	\$ 58,795	\$ 28,937	\$ 226,289	\$ 147,001	\$ 337,050	\$ 1,424,091	\$ 960,468	\$ -	\$ 4,211,658
Claims Reserves Adjusting Expense	\$ 8,459	\$ 27,269	\$ 4,007	\$ 10,536	\$ 5,670	\$ 21,401	\$ 38,718	\$ 65,528	\$ 215,220	\$ 124,562	\$ -	\$ 591,947
IBNR Reserve Expense	\$ 100,249	\$ 162,686	\$ 199,023	\$ 210,592	\$ 247,769	\$ 361,798	\$ 533,380	\$ 1,027,051	\$ 1,124,950	\$ -	\$ -	\$ 4,320,051
Excess Work Comp Insurance	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 395,128	\$ 432,750	\$ 456,352	\$ 451,042	\$ 478,448	\$ 167,876	\$ 504,000	\$ 7,065,366
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (168,491)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (301,168)
Specific Recovery Expense	\$ -	\$ (43)	\$ -	\$ (9,965)	\$ -	\$ (311,814)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,272,936)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,011)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (465,326)
<b>Claims Fund Expense</b>	<b>\$ 2,633,867</b>	<b>\$ 4,826,900</b>	<b>\$ 3,550,701</b>	<b>\$ 2,697,816</b>	<b>\$ 2,513,503</b>	<b>\$ 3,922,677</b>	<b>\$ 2,969,587</b>	<b>\$ 3,465,676</b>	<b>\$ 4,735,113</b>	<b>\$ 1,465,881</b>	<b>\$ 504,000</b>	<b>\$ 65,472,421</b>
<b>Total Operating Expense</b>	<b>\$ 3,586,014</b>	<b>\$ 5,862,192</b>	<b>\$ 4,518,930</b>	<b>\$ 3,631,189</b>	<b>\$ 3,509,818</b>	<b>\$ 4,994,130</b>	<b>\$ 4,019,289</b>	<b>\$ 4,592,199</b>	<b>\$ 5,956,915</b>	<b>\$ 1,944,879</b>	<b>\$ 1,734,000</b>	<b>\$ 84,763,208</b>
<b>BALANCES</b>												
KMIT Statutory Fund Balance	\$ 1,689,014	\$ (595,614)	\$ (2,239)	\$ 923,448	\$ 1,415,878	\$ 573,815	\$ 1,370,354	\$ 397,702	\$ (728,421)	\$ (229,370)	\$ 3,331,000	\$ 5,694,341
<b>Accumulated Balance</b>	<b>\$ 2,568,788</b>	<b>\$ 1,973,175</b>	<b>\$ 1,970,936</b>	<b>\$ 2,894,384</b>	<b>\$ 4,310,261</b>	<b>\$ 4,884,076</b>	<b>\$ 6,254,430</b>	<b>\$ 6,652,132</b>	<b>\$ 5,923,711</b>	<b>\$ 5,694,341</b>		



# KMIT Admin Expenses

April 30, 2018

	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	\$ 40,596	\$ 46,382	\$ 39,462	\$ 30,890	\$ 34,311	\$ 39,671	\$ 57,471	\$ 75,143	\$ 80,087	\$ 81,579	\$ 91,913
<b>Sub Total</b>	<b>\$ 95,360</b>	<b>\$ 77,466</b>	<b>\$ 56,281</b>	<b>\$ 105,257</b>	<b>\$ 89,530</b>	<b>\$ 81,046</b>	<b>\$ 72,094</b>	<b>\$ 55,604</b>	<b>\$ 69,799</b>	<b>\$ 94,418</b>	<b>\$ 137,620</b>	<b>\$ 204,852</b>	<b>\$ 167,492</b>	<b>\$ 164,969</b>	<b>\$ 182,231</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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Crime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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>\$ 492,046</b>	<b>\$ 456,693</b>	<b>\$ 450,174</b>	<b>\$ 437,033</b>	<b>\$ 533,041</b>	<b>\$ 649,336</b>	<b>\$ 739,039</b>	<b>\$ 818,775</b>	<b>\$ 907,040</b>	<b>\$ 917,168</b>	<b>\$ 957,594</b>

# KMIT Admin Expenses

April 30, 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2018	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	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	\$ 90,158	\$ 101,214	\$ 30,218	\$ 102,000	\$ 1,334,631
Directors and Officers Insurance	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 15,956	\$ 15,667	\$ 15,970	\$ 15,939	\$ 5,313	\$ 16,000	\$ 189,792
Meetings/Travel	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 29,749	\$ 19,897	\$ 22,638	\$ 20,165	\$ 6,476	\$ 23,000	\$ 138,589
Contingencies/Miscellaneous	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 4,385	\$ 3,884	\$ 2,594	\$ (2,597)	\$ 2,594	\$ 6,000	\$ 359,406
Bank Fees	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 4,460	\$ 5,998	\$ 6,333	\$ 7,391	\$ 2,428	\$ 6,000	\$ 66,193
Write Off	\$ -	\$ -	\$ (104)	\$ -	\$ -	\$ -	\$ -	\$ 464	\$ -	\$ -	\$ -	\$ 360
LKM Clearing	\$ -	\$ -	\$ 60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ 161	\$ 34	\$ 502	\$ -	\$ -	\$ 1,000	\$ 1,588
Office Supplies	\$ -	\$ -	\$ -	\$ 1,112	\$ 1,830	\$ 3,732	\$ 4,485	\$ 6,176	\$ 9,399	\$ 2,152	\$ 9,000	\$ 28,884
<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>\$ 144,835</b>	<b>\$ 151,512</b>	<b>\$ 49,181</b>	<b>\$ 163,000</b>	<b>\$ 2,119,504</b>
<b>REGULATORY</b>												
Kansas Insurance Dept (KID) Premium Tax	\$ 48,525	\$ 49,030	\$ 40,919	\$ 43,445	\$ 44,349	\$ 51,057	\$ 47,827	\$ 46,830	\$ 48,793	\$ 15,152	\$ 50,000	\$ 819,526
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	\$ 59,661	\$ 103,845	\$ 39,703	\$ 83,061	\$ 85,220	\$ 132,922	\$ 81,945	\$ 99,649	\$ 183,807	\$ 34,843	\$ 200,000	\$ 1,601,314
<b>Sub Total</b>	<b>\$ 140,025</b>	<b>\$ 214,079</b>	<b>\$ 162,236</b>	<b>\$ 126,506</b>	<b>\$ 129,569</b>	<b>\$ 183,979</b>	<b>\$ 129,772</b>	<b>\$ 146,479</b>	<b>\$ 232,600</b>	<b>\$ 49,995</b>	<b>\$ 250,000</b>	<b>\$ 3,169,256</b>
<b>CONTRACTURAL</b>												
Financial Audit	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ 15,803	\$ 13,803	\$ 12,665	\$ 12,500	\$ -	\$ 27,000	\$ 317,240
Actuarial	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ 15,000	\$ 14,500	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ 246,395
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 190,000	\$ 205,000	\$ 105,350	\$ 210,700	\$ 1,600,350
Risk Control	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 79,650	\$ 159,300	\$ 2,778,723
Claims Adjusting	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 205,000	\$ 205,000	\$ 210,000	\$ 108,150	\$ 216,500	\$ 4,194,409
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,671	\$ 14,651	\$ 27,647	\$ 12,113	\$ 11,732	\$ 15,000	\$ 75,814
POET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,425	\$ 10,513	\$ 20,138	\$ 6,150	\$ 15,000	\$ 44,225
Pool Admin Services	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 81,900	\$ 98,560	\$ 99,360	\$ 102,240	\$ 35,040	\$ 105,000	\$ 3,995,720
Payroll Audits	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ 20,143	\$ 19,923	\$ 20,726	\$ 20,000	\$ -	\$ 21,000	\$ 249,485
Rating Services	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ 10,887	\$ 754	\$ 27,105	\$ 11,595	\$ 24	\$ -	\$ 98,353
Crime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 348	\$ 464	\$ -	\$ 812
Web Hosting	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 3,439	\$ 2,846	\$ 2,193	\$ 3,758	\$ 760	\$ -	\$ 18,001
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 32,500	\$ 32,500	\$ 382,500
<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>\$ 835,209</b>	<b>\$ 837,691</b>	<b>\$ 379,821</b>	<b>\$ 817,000</b>	<b>\$ 14,002,026</b>
<b>Administration Fund Expense</b>	<b>\$ 952,147</b>	<b>\$ 1,035,291</b>	<b>\$ 968,230</b>	<b>\$ 933,373</b>	<b>\$ 996,315</b>	<b>\$ 1,071,452</b>	<b>\$ 1,049,702</b>	<b>\$ 1,126,523</b>	<b>\$ 1,221,802</b>	<b>\$ 478,997</b>	<b>\$ 1,230,000</b>	<b>\$ 19,290,787</b>

# KMIT Balance Sheet

May 31, 2018

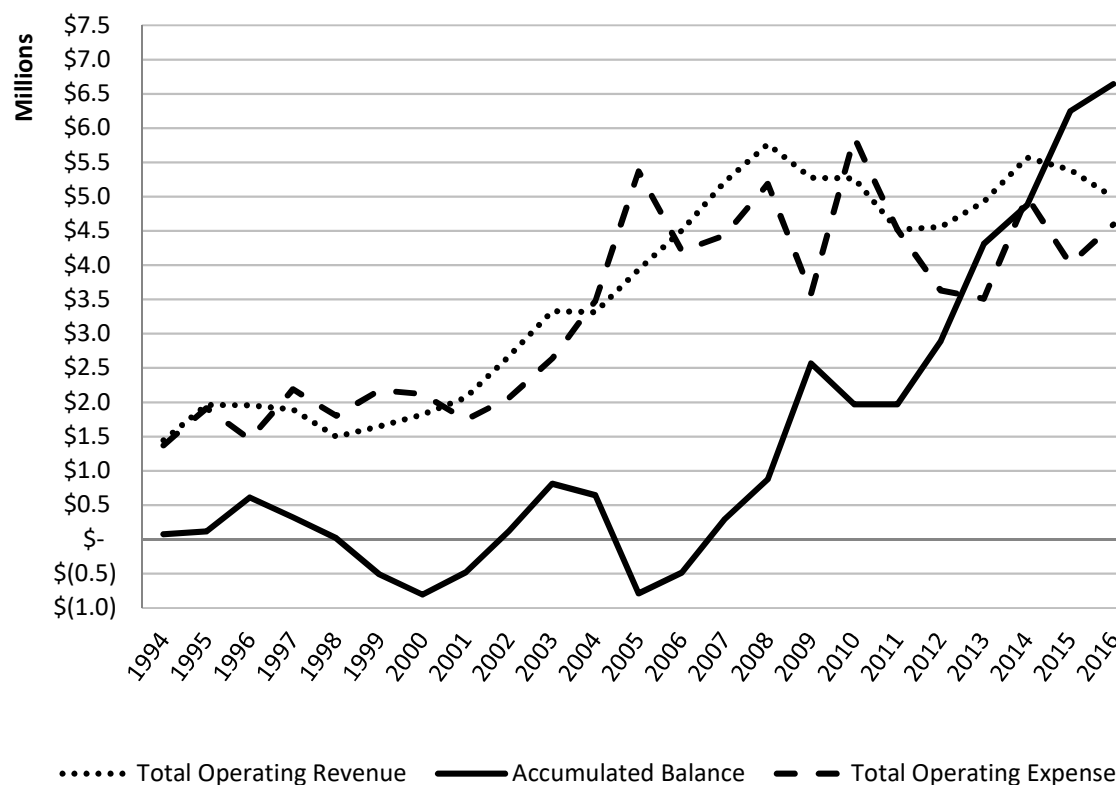
## ASSETS

Checking Accounts	\$	364,449
Investments	\$	16,958,600
Accrued Interest	\$	100,100
Accounts Receivable	\$	12,378
Excess Premium Receivable	\$	18,907
Specific Recoverable	\$	1,347,291
Aggregate Recoverable	\$	7,011
Prepaid Expenses	\$	366,312
<b>Total Assets</b>	<b>\$</b>	<b>19,175,049</b>

## LIABILITIES & EQUITY

Accounts Payable	\$	10,098
Excess Premium Payable	\$	-
Reserve for Losses	\$	5,924,508
IBNR Reserve	\$	4,237,003
Deposits on Premium	\$	2,851,796
Accrued Taxes and Assessments	\$	447,774
<b>Total Liabilities</b>	<b>\$</b>	<b>13,471,179</b>
<b>Total Equity</b>	<b>\$</b>	<b>5,703,871</b>
<b>Total Liabilities and Equity</b>	<b>\$</b>	<b>19,175,049</b>

## KMIT Financial Overview





# KMIT Profit and Loss

May 31, 2018

	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>
<b>ADMINISTRATION FUND EXPENSE</b>															
	\$ 477,137	\$ 601,545	\$ 492,669	\$ 527,664	\$ 492,046	\$ 456,693	\$ 450,174	\$ 437,033	\$ 533,041	\$ 649,336	\$ 739,039	\$ 818,775	\$ 907,040	\$ 917,168	\$ 957,594
<b>CLAIMS FUND EXPENSE</b>															
Claims Paid Expense	\$ 716,700	\$ 1,049,152	\$ 790,125	\$ 2,073,604	\$ 2,006,988	\$ 1,743,526	\$ 1,446,845	\$ 1,097,496	\$ 1,211,714	\$ 1,874,209	\$ 2,292,190	\$ 3,927,732	\$ 2,607,961	\$ 2,777,162	\$ 3,331,098
Claims Paid Adjusting Expense	\$ 25,541	\$ 54,345	\$ 46,505	\$ 90,802	\$ 85,695	\$ 143,973	\$ 123,556	\$ 83,220	\$ 129,112	\$ 149,296	\$ 150,373	\$ 246,568	\$ 182,249	\$ 193,570	\$ 238,653
Claims Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ 54,753	\$ 51,544	\$ 7,749	\$ -	\$ -	\$ -	\$ 37,822	\$ 128,590	\$ 52,843	\$ 102,170	\$ 182,653
Claims Reserves Adjusting Expense	\$ -	\$ -	\$ -	\$ -	\$ 4,674	\$ 3,957	\$ 2,166	\$ -	\$ -	\$ -	\$ 466	\$ 15,845	\$ 18,676	\$ 15,640	\$ 12,365
IBNR Reserve Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,690	\$ 43,290	\$ 52,965	\$ 61,438	\$ 155,593
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	\$ -	\$ -	\$ -	\$ -	\$ (180,999)	\$ 48,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Specific Recovery Expense	\$ -	\$ -	\$ -	\$ (268,748)	\$ (740,988)	\$ (232,568)	\$ -	\$ -	\$ -	\$ (400,137)	\$ -	\$ (188,126)	\$ -	\$ (53,999)	\$ (66,549)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,011)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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>\$ 1,309,579</b>	<b>\$ 1,719,169</b>	<b>\$ 1,667,135</b>	<b>\$ 1,307,883</b>	<b>\$ 1,530,284</b>	<b>\$ 1,990,358</b>	<b>\$ 2,740,976</b>	<b>\$ 4,548,371</b>	<b>\$ 3,299,120</b>	<b>\$ 3,516,711</b>	<b>\$ 4,226,603</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>\$ 1,801,625</b>	<b>\$ 2,175,863</b>	<b>\$ 2,117,309</b>	<b>\$ 1,744,916</b>	<b>\$ 2,063,325</b>	<b>\$ 2,639,694</b>	<b>\$ 3,480,015</b>	<b>\$ 5,367,146</b>	<b>\$ 4,206,160</b>	<b>\$ 4,433,878</b>	<b>\$ 5,184,197</b>
<b>BALANCES</b>															
KMIT Statutory Fund Balance	\$ 74,486	\$ 43,543	\$ 495,283	\$ (290,597)	\$ (303,268)	\$ (526,795)	\$ (297,923)	\$ 322,434	\$ 606,319	\$ 687,287	\$ (164,299)	\$ (1,433,079)	\$ 300,966	\$ 781,722	\$ 580,774
<b>Accumulated Balance</b>	<b>\$ 74,486</b>	<b>\$ 118,029</b>	<b>\$ 613,312</b>	<b>\$ 322,715</b>	<b>\$ 19,447</b>	<b>\$ (507,348)</b>	<b>\$ (805,271)</b>	<b>\$ (482,836)</b>	<b>\$ 123,482</b>	<b>\$ 810,769</b>	<b>\$ 646,470</b>	<b>\$ (786,609)</b>	<b>\$ (485,642)</b>	<b>\$ 296,080</b>	<b>\$ 876,853</b>

# KMIT Profit and Loss

May 31, 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2018	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	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	\$ 4,829,526	\$ 5,007,888	\$ 2,051,843	\$ 4,900,000	\$ 88,016,582
Interest Income	\$ 81,601	\$ 52,768	\$ 72,925	\$ 70,104	\$ 71,861	\$ 107,601	\$ 128,600	\$ 160,374	\$ 220,606	\$ 109,173	\$ 165,000	\$ 2,875,773
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>\$ 4,989,900</b>	<b>\$ 5,228,494</b>	<b>\$ 2,161,016</b>	<b>\$ 5,065,000</b>	<b>\$ 90,903,056</b>
<b>ADMINISTRATION FUND EXPENSE</b>	<b>\$ 952,147</b>	<b>\$ 1,035,291</b>	<b>\$ 968,230</b>	<b>\$ 933,373</b>	<b>\$ 996,315</b>	<b>\$ 1,071,452</b>	<b>\$ 1,049,702</b>	<b>\$ 1,126,523</b>	<b>\$ 1,221,855</b>	<b>\$ 530,199</b>	<b>\$ 1,230,000</b>	<b>\$ 19,342,042</b>
<b>CLAIMS FUND EXPENSE</b>												
Claims Paid Expense	\$ 1,975,786	\$ 3,863,297	\$ 2,721,738	\$ 1,920,029	\$ 1,706,794	\$ 3,231,205	\$ 1,660,802	\$ 1,497,941	\$ 1,480,709	\$ 421,292	\$ -	\$ 49,426,093
Claims Paid Adjusting Expense	\$ 188,120	\$ 187,709	\$ 148,031	\$ 171,130	\$ 129,206	\$ 141,566	\$ 133,588	\$ 104,738	\$ 92,112	\$ 16,955	\$ -	\$ 3,256,613
Claims Reserve Expense	\$ 20,569	\$ 235,020	\$ 140,996	\$ 58,795	\$ 28,937	\$ 1,273,029	\$ 146,822	\$ 321,485	\$ 1,360,287	\$ 1,018,108	\$ -	\$ 5,222,172
Claims Reserves Adjusting Expense	\$ 8,459	\$ 26,858	\$ 3,947	\$ 9,640	\$ 5,670	\$ 53,458	\$ 38,643	\$ 65,745	\$ 239,345	\$ 176,780	\$ -	\$ 702,335
IBNR Reserve Expense	\$ 98,999	\$ 162,686	\$ 199,023	\$ 210,592	\$ 247,769	\$ 323,643	\$ 533,380	\$ 1,024,725	\$ 1,084,211	\$ -	\$ -	\$ 4,237,003
Excess Work Comp Insurance	\$ 341,935	\$ 351,375	\$ 336,966	\$ 337,595	\$ 395,128	\$ 432,750	\$ 456,352	\$ 451,042	\$ 476,604	\$ 209,845	\$ 504,000	\$ 7,105,491
Specific Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,214,614)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,347,291)
Specific Recovery Expense	\$ -	\$ (43)	\$ -	\$ (9,965)	\$ -	\$ (311,814)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,272,936)
Aggregate Recoverable Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,011)
Aggregate Recovery Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (465,326)
<b>Claims Fund Expense</b>	<b>\$ 2,633,867</b>	<b>\$ 4,826,900</b>	<b>\$ 3,550,701</b>	<b>\$ 2,697,816</b>	<b>\$ 2,513,503</b>	<b>\$ 3,929,224</b>	<b>\$ 2,969,587</b>	<b>\$ 3,465,676</b>	<b>\$ 4,733,269</b>	<b>\$ 1,842,980</b>	<b>\$ 504,000</b>	<b>\$ 65,857,144</b>
<b>Total Operating Expense</b>	<b>\$ 3,586,014</b>	<b>\$ 5,862,192</b>	<b>\$ 4,518,930</b>	<b>\$ 3,631,189</b>	<b>\$ 3,509,818</b>	<b>\$ 5,000,676</b>	<b>\$ 4,019,289</b>	<b>\$ 4,592,199</b>	<b>\$ 5,955,124</b>	<b>\$ 2,373,180</b>	<b>\$ 1,734,000</b>	<b>\$ 85,199,186</b>
<b>BALANCES</b>												
KMIT Statutory Fund Balance	\$ 1,689,014	\$ (595,614)	\$ (2,239)	\$ 923,448	\$ 1,415,878	\$ 567,269	\$ 1,370,354	\$ 397,702	\$ (726,630)	\$ (212,164)	\$ 3,331,000	\$ 5,703,871
Accumulated Balance	\$ 2,565,867	\$ 1,970,254	\$ 1,968,015	\$ 2,891,463	\$ 4,307,340	\$ 4,874,609	\$ 6,244,963	\$ 6,642,665	\$ 5,916,035	\$ 5,703,871		

# KMIT Admin Expenses

May 31, 2018

	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	\$ 40,596	\$ 46,382	\$ 39,462	\$ 30,890	\$ 34,311	\$ 39,671	\$ 57,471	\$ 75,143	\$ 80,087	\$ 81,579	\$ 91,913
<b>Sub Total</b>	<b>\$ 95,360</b>	<b>\$ 77,466</b>	<b>\$ 56,281</b>	<b>\$ 105,257</b>	<b>\$ 89,530</b>	<b>\$ 81,046</b>	<b>\$ 72,094</b>	<b>\$ 55,604</b>	<b>\$ 69,799</b>	<b>\$ 94,418</b>	<b>\$ 137,620</b>	<b>\$ 204,852</b>	<b>\$ 167,492</b>	<b>\$ 164,969</b>	<b>\$ 182,231</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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Crime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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>\$ 492,046</b>	<b>\$ 456,693</b>	<b>\$ 450,174</b>	<b>\$ 437,033</b>	<b>\$ 533,041</b>	<b>\$ 649,336</b>	<b>\$ 739,039</b>	<b>\$ 818,775</b>	<b>\$ 907,040</b>	<b>\$ 917,168</b>	<b>\$ 957,594</b>



## KMIT Admin Expenses

May 31, 2018

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2018	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	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	\$ 90,158	\$ 101,267	\$ 39,185	\$ 102,000	\$ 1,343,651
Directors and Officers Insurance	\$ 15,857	\$ 15,942	\$ 16,038	\$ 16,488	\$ 17,224	\$ 15,956	\$ 15,667	\$ 15,970	\$ 15,939	\$ 6,641	\$ 16,000	\$ 191,120
Meetings/Travel	\$ -	\$ -	\$ 829	\$ 4,881	\$ 19,334	\$ 29,749	\$ 19,897	\$ 22,638	\$ 20,165	\$ 7,611	\$ 23,000	\$ 139,724
Contingencies/Miscellaneous	\$ 34,318	\$ 2,657	\$ 1,708	\$ 3,175	\$ 3,623	\$ 4,385	\$ 3,884	\$ 2,594	\$ (2,597)	\$ 3,384	\$ 6,000	\$ 360,196
Bank Fees	\$ 2,758	\$ 9,239	\$ 5,776	\$ 4,159	\$ 7,528	\$ 4,460	\$ 5,998	\$ 6,333	\$ 7,391	\$ 3,011	\$ 6,000	\$ 66,775
Write Off	\$ -	\$ -	\$ (104)	\$ -	\$ -	\$ -	\$ -	\$ 464	\$ -	\$ -	\$ -	\$ 360
LKM Clearing	\$ -	\$ -	\$ 60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60
Marketing	\$ -	\$ -	\$ -	\$ 439	\$ 452	\$ 161	\$ 34	\$ 502	\$ -	\$ -	\$ 1,000	\$ 1,588
Office Supplies	\$ -	\$ -	\$ -	\$ 1,112	\$ 1,830	\$ 3,732	\$ 4,485	\$ 6,176	\$ 9,399	\$ 2,432	\$ 9,000	\$ 29,165
<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>\$ 144,835</b>	<b>\$ 151,565</b>	<b>\$ 62,264</b>	<b>\$ 163,000</b>	<b>\$ 2,132,640</b>
<b>REGULATORY</b>												
Kansas Insurance Dept (KID) Premium Tax	\$ 48,525	\$ 49,030	\$ 40,919	\$ 43,445	\$ 44,349	\$ 51,057	\$ 47,827	\$ 46,830	\$ 48,793	\$ 15,152	\$ 50,000	\$ 819,526
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	\$ 59,661	\$ 103,845	\$ 39,703	\$ 83,061	\$ 85,220	\$ 132,922	\$ 81,945	\$ 99,649	\$ 183,807	\$ 34,843	\$ 200,000	\$ 1,601,314
<b>Sub Total</b>	<b>\$ 140,025</b>	<b>\$ 214,079</b>	<b>\$ 162,236</b>	<b>\$ 126,506</b>	<b>\$ 129,569</b>	<b>\$ 183,979</b>	<b>\$ 129,772</b>	<b>\$ 146,479</b>	<b>\$ 232,600</b>	<b>\$ 49,995</b>	<b>\$ 250,000</b>	<b>\$ 3,169,256</b>
<b>CONTRACTURAL</b>												
Financial Audit	\$ 18,608	\$ 31,565	\$ 12,023	\$ 11,738	\$ 11,904	\$ 15,803	\$ 13,803	\$ 12,665	\$ 12,500	\$ -	\$ 27,000	\$ 317,240
Actuarial	\$ 13,750	\$ 14,000	\$ 14,000	\$ 14,250	\$ 14,250	\$ 15,000	\$ 14,500	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ 246,395
Risk Management	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 190,000	\$ 205,000	\$ 105,350	\$ 210,700	\$ 1,600,350
Risk Control	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 150,000	\$ 150,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 79,650	\$ 159,300	\$ 2,778,723
Claims Adjusting	\$ 175,000	\$ 195,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 185,000	\$ 205,000	\$ 205,000	\$ 210,000	\$ 129,780	\$ 216,500	\$ 4,216,039
Risk Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,671	\$ 14,651	\$ 27,647	\$ 12,113	\$ 16,795	\$ 15,000	\$ 80,877
POET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,425	\$ 10,513	\$ 20,138	\$ 8,700	\$ 15,000	\$ 46,775
Pool Admin Services	\$ 225,000	\$ 225,000	\$ 230,000	\$ 230,004	\$ 75,600	\$ 81,900	\$ 98,560	\$ 99,360	\$ 102,240	\$ 43,800	\$ 105,000	\$ 4,004,480
Payroll Audits	\$ 17,617	\$ 19,173	\$ 19,000	\$ 16,318	\$ 16,000	\$ 20,143	\$ 19,923	\$ 20,726	\$ 20,000	\$ -	\$ 21,000	\$ 249,485
Rating Services	\$ -	\$ -	\$ 22,650	\$ 6,636	\$ 18,702	\$ 10,887	\$ 754	\$ 27,105	\$ 11,595	\$ 24	\$ -	\$ 98,353
Crime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 348	\$ 581	\$ -	\$ 929
Web Hosting	\$ -	\$ -	\$ 1,155	\$ 1,187	\$ 2,663	\$ 3,439	\$ 2,846	\$ 2,193	\$ 3,758	\$ 760	\$ -	\$ 18,001
Endorsement Fee	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 32,500	\$ 32,500	\$ 382,500
<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>\$ 835,209</b>	<b>\$ 837,691</b>	<b>\$ 417,940</b>	<b>\$ 817,000</b>	<b>\$ 14,040,145</b>
<b>Administration Fund Expense</b>	<b>\$ 952,147</b>	<b>\$ 1,035,291</b>	<b>\$ 968,230</b>	<b>\$ 933,373</b>	<b>\$ 996,315</b>	<b>\$ 1,071,452</b>	<b>\$ 1,049,702</b>	<b>\$ 1,126,523</b>	<b>\$ 1,221,855</b>	<b>\$ 530,199</b>	<b>\$ 1,230,000</b>	<b>\$ 19,342,042</b>

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

Kansas Municipal Insurance Trust

(Name of Company)

As of 12/31/2017 - Audited  
1st 2nd 3rd (4th) Quarter (CIRCLE ONE)

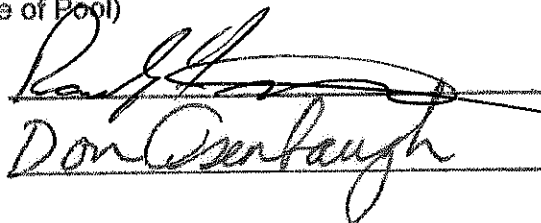
		<b>CURRENT FISCAL YEAR TO DATE 12/31/2017 - Audited</b>	<b>PREVIOUS FISCAL YEAR END 12/31/2016 Audited</b>
<b>ASSETS</b>			
Administrative fund:			
Cash	\$	130,378	\$ 124,282
Investments		0	
Claims fund:			
Cash		427,130	434,889
Investments		15,213,125	14,119,109
Premium contributions receivable		149,956	70,954
Excess insurance recoverable on claims payments		32,351	15,576
Interest income due and accrued		125,822	141,608
Receivable from affiliates			
Other assets:			
Agent Commissions Receivable		4,602	1,247
Prepaid Excess Insurance		0	0
Prepaid Expenses		1,045	0
Excess Insurance Premium Receivable		18,907	23,920
Less: Non Admitted Assets		(1,045)	0
<b>Total Assets</b>	<b>\$</b>	<b>16,102,271</b>	<b>\$ 14,931,585</b>

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> 12/31/2017 - Audited	<u>PREVIOUS FISCAL YEAR END</u> 12/31/2016 - Audited
Reserve for unpaid workers' compensation claims	\$ 3,342,258	\$ 2,219,538
Reserve for unpaid claim adjustment expenses	383,386	243,712
Reserve for claims incurred but not reported	4,813,095	4,628,689
Unearned premium contribution	688,875	1,037,223
Other expenses due or accrued		
Taxes, licenses and fees due or accrued	403,764	381,733
Borrowed money \$_____ and interest thereon \$_____		
Dividends payable to members		
Deposits on premium contributions	491,947	399,191
Excess insurance premium payable		
Payable to affiliates		
Accounts payable	47,500	46,500
Miscellaneous liabilities:		
Return Premium Payable		
Total Liabilities:	\$ 10,170,825	\$ 8,956,586
Special reserve funds:		
Total Special Reserve Funds		
<u>FUND BALANCE</u>		
Total Reserves and Fund Balance (Assets-Liabilities)	5,931,446	5,951,260
Total Liabilities, Reserves and Fund Balance	\$ 16,102,271	\$ 14,907,846



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

<u>SUMMARY OF OPERATIONS</u>	<u>CURRENT FISCAL</u> <u>YEAR TO DATE</u> 12/31/2017 - Audited	<u>PREVIOUS FISCAL</u> <u>YEAR END</u> 12/31/2016 - Audited
Underwriting Income		
Direct Premium Contributions Earned	\$ <u>4,984,618</u>	\$ <u>4,829,526</u>
Deductions:		
Excess insurance premium incurred	<u>476,604</u>	<u>451,042</u>
Workers' compensation claims incurred	<u>3,308,274</u>	<u>3,009,276</u>
Claims adjustment expenses incurred	<u>297,888</u>	<u>227,389</u>
Other administrative expenses incurred	<u>1,164,966</u>	<u>1,003,526</u>
Total underwriting deductions	<u>5,247,732</u>	<u>4,691,233</u>
Net underwriting Gain or (Loss)	\$ <u>(263,114)</u>	\$ <u>138,293</u>
Investment income		
Interest income earned (Net of investment expenses)	<u>220,606</u>	<u>160,374</u>
Other income		
Other income	<u>0</u>	
Net income before dividends to members	<u>(42,508)</u>	<u>298,667</u>
Dividends to members		
Net income after dividends to members	<u>(42,508)</u>	<u>298,667</u>
Net Income(Loss)	\$ <u>(42,508)</u>	\$ <u>298,667</u>

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

<u>ANALYSIS OF FUND BALANCE</u>		<u>CURRENT FISCAL YEAR TO DATE</u> 12/31/2017 - Audited	<u>PREVIOUS FISCAL YEAR END</u> 12/31/2016 - Audited
Fund balance, previous period	\$	<u>5,974,999</u>	<u>\$ 5,676,332</u>
Net income (Loss)		<u>(42,508)</u>	<u>298,667</u>
Change in non-admitted assets		<u>(1,045)</u>	<u>0</u>
<u>Rounding</u>			
<u>Change in Non Admitted Assets</u>			
Change in fund balance for the period		<u>(43,553)</u>	<u>298,667</u>
Fund balance, current period	\$	<u>5,931,446</u>	<u>\$ 5,974,999</u>

**Contract Year January 1, 2017 to December 31, 2017**  
**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 12/31/2017 - Audited

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 8+7	Service Agent Fees Incurred	General Expenses Incurred	Taxes, Licenses & Fees Incurred	Total Expenses Incurred Col 10 + Col 9 + Col 12	Claims Ratios as a % Col 9 / Col 6	Admin. Ratios as a % Col 13 / Col 6	Investment Income Earned
0	310	PCY 23	1,422,592	151,393	1,271,199	716,700	25,541	742,241	298,447	83,330	85,360	477,137	56.4%	37.5%	22,875
0	243	PCY 22	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%	73,225
0	424	PCY 21	1,843,047	133,376	1,709,671	780,125	45,505	836,631	277,342	159,046	55,281	492,669	48.9%	28.8%	114,912
1	624	PCY 20	1,764,515	117,122	1,637,393	1,804,858	90,802	1,895,658	204,543	217,864	102,541	524,948	116.5%	32.1%	142,705
2	572	PCY 19	1,377,722	79,456	1,298,266	1,325,566	80,598	1,416,163	187,000	211,071	82,901	480,972	109.1%	37.0%	116,190
4	651	PCY 18	1,552,110	80,124	1,471,986	1,563,775	147,702	1,711,477	185,000	190,573	77,653	453,226	116.3%	30.8%	86,882
2	552	PCY 17	1,689,773	89,819	1,602,954	1,454,584	125,714	1,580,308	190,000	168,080	73,583	451,673	98.6%	28.2%	129,613
0	605	PCY 16	1,953,656	127,168	1,826,488	1,097,567	83,207	1,180,574	195,000	186,428	55,559	437,017	64.2%	23.6%	101,894
1	670	PCY 15	2,616,541	189,458	2,427,083	1,211,714	128,112	1,340,826	217,509	242,407	89,789	630,706	55.2%	21.9%	80,568
1	612	PCY 14	3,274,489	326,991	2,947,498	1,474,072	143,286	1,623,367	280,000	274,918	85,684	651,602	55.8%	22.4%	82,492
2	645	PCY 13	3,256,548	221,435	3,035,213	2,330,012	150,839	2,480,851	283,000	308,419	134,300	735,719	61.7%	24.2%	69,056
11	770	PCY 12	3,837,793	374,472	3,463,321	3,881,306	254,870	4,138,176	310,000	303,923	165,148	809,071	119.4%	23.4%	96,274
16	765	PCY 11	4,272,140	384,425	3,887,715	2,660,898	192,429	2,853,325	330,000	409,548	164,537	904,085	73.4%	23.3%	294,666
7	908	PCY 10	4,950,171	420,728	4,529,443	2,825,334	203,237	3,028,571	365,000	304,794	157,905	907,699	66.8%	20.0%	283,024
12	768	PCY 9	5,518,189	372,790	5,145,379	3,513,751	250,609	3,764,360	375,000	400,364	180,033	955,397	73.1%	18.8%	245,802
10	654	PCY 8	5,193,427	341,635	4,851,492	2,055,025	136,658	2,181,883	390,000	422,122	168,861	970,983	45.2%	20.0%	61,601
15	666	PCY 7	5,213,859	351,375	4,862,484	4,097,024	197,503	4,294,526	410,000	411,213	218,444	1,039,657	68.3%	21.4%	52,768
7	635	PCY 6	4,442,328	336,368	4,105,961	2,862,734	151,976	3,014,712	400,000	374,349	211,548	985,897	73.4%	24.0%	72,925
8	698	PCY 5	4,484,333	337,595	4,146,838	1,975,786	177,672	2,153,458	400,000	407,086	174,669	981,755	51.9%	23.7%	70,104
4	696	PCY 4	4,553,635	395,128	4,158,707	1,741,397	129,209	1,870,606	580,000	266,205	112,977	979,782	42.0%	22.0%	71,861
7	742	PCY 3	5,460,344	432,750	5,027,594	3,162,368	140,012	3,292,380	598,571	291,845	383,143	1,271,559	65.5%	25.3%	107,691
10	724	PCY 2	5,261,044	455,352	4,804,692	1,823,416	142,112	1,965,528	628,560	281,393	190,117	1,110,070	40.9%	23.1%	128,600
15	777	PCY 1	4,829,526	474,781	4,354,745	1,749,522	107,859	1,857,391	648,360	328,247	24,920	1,003,526	42.7%	23.0%	160,374
477	612	CCY	4,984,618	476,604	4,508,014	2,661,427	168,599	2,768,026	671,847	308,237	124,882	1,164,966	61.4%	25.8%	220,806

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.

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

Kansas Municipal Insurance Trust  
(Name of Company)

As of 03/31/2018  
(1st) 2nd 3rd 4th Quarter (CIRCLE ONE)

ASSETS	CURRENT FISCAL YEAR TO DATE 03/31/2018	PREVIOUS FISCAL YEAR END 12/31/2017 Audited
Administrative fund:		
Cash	\$ (197,919) \$	130,378
Investments	0	0
Claims fund:		
Cash	413,246	427,130
Investments	17,771,445	15,213,125
Premium contributions receivable	43,260	149,956
Excess insurance recoverable on claims payments	31,394	32,351
Interest income due and accrued	105,070	125,822
Receivable from affiliates		
Other assets:		
Agent Commissions Receivable	0	4,602
Prepaid Excess Insurance	377,722	0
Prepaid Expenses	90,136	1,045
Excess Insurance Premium Receivable	18,907	18,907
Less: Non Admitted Assets	(467,858)	(1,045)
<b>Total Assets</b>	<b>\$ 18,185,402 \$</b>	<b>16,102,271</b>

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: Don Osenbaugh Chair of Trustees  
Administrator



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

<u><b>LIABILITIES, RESERVES AND FUND BALANCE</b></u>	<u><b>CURRENT FISCAL YEAR TO DATE</b></u> 03/31/2018	<u><b>PREVIOUS FISCAL YEAR END</b></u> 12/31/2017 - Audited
Reserve for unpaid workers' compensation claims	\$ 4,032,956 \$	3,342,258
Reserve for unpaid claim adjustment expenses	332,566	383,386
Reserve for claims incurred but not reported	4,600,742	4,813,095
Unearned premium contribution	0	688,875
Other expenses due or accrued		
Taxes, licenses and fees due or accrued	454,296	403,764
Borrowed money \$_____ and interest thereon \$_____		
Dividends payable to members		
Deposits on premium contributions	3,273,195	491,947
Excess insurance premium payable		
Payable to affiliates		
Accounts payable	24,044	47,500
Miscellaneous liabilities:		
Return Premium Payable		
Total Liabilities:	\$ 12,984,137 \$	10,170,825
Special reserve funds:		
Total Special Reserve Funds		
<u><b>FUND BALANCE</b></u>		
Total Reserves and Fund Balance (Assets-Liabilities)	5,201,265 \$	5,931,446
Total Liabilities, Reserves and Fund Balance	\$ 18,185,402 \$	16,102,271

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

<u>SUMMARY OF OPERATIONS</u>	<u>CURRENT FISCAL YEAR TO DATE 03/31/2018</u>	<u>PREVIOUS FISCAL YEAR END 12/31/2017 - Audited</u>
Underwriting Income		
Direct Premium Contributions Earned	\$ <u>1,641,119</u>	\$ <u>4,984,618</u>
Deductions:		
Excess insurance premium incurred	<u>125,907</u>	<u>476,604</u>
Workers' compensation claims incurred	<u>909,586</u>	<u>3,308,274</u>
Claims adjustment expenses incurred	<u>147,488</u>	<u>297,888</u>
Other administrative expenses incurred	<u>395,079</u>	<u>1,164,966</u>
Total underwriting deductions	<u>1,569,274</u>	<u>5,247,732</u>
Net underwriting Gain or (Loss)	\$ <u>(315,165)</u>	\$ <u>(263,114)</u>
Investment income		
Interest income earned (Net of investment expenses)	<u>51,797</u>	<u>220,606</u>
Other income		
Other income	<u>0</u>	<u>0</u>
Net income before dividends to members	<u>(263,368)</u>	<u>(42,508)</u>
Dividends to members		
Net income after dividends to members	<u>(263,368)</u>	<u>(42,508)</u>
Net Income(Loss)	\$ <u>(263,368)</u>	\$ <u>(42,508)</u>

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

<u>ANALYSIS OF FUND BALANCE</u>		<u>CURRENT FISCAL YEAR TO DATE</u> 03/31/2018	<u>PREVIOUS FISCAL YEAR END</u> 12/31/2017 - Audited
Fund balance, previous period	\$	<u>5,931,446</u>	<u>5,974,999</u>
Net income (Loss)		<u>(263,368)</u>	<u>(42,508)</u>
Change in non-admitted assets		<u>(467,858)</u>	<u>(1,045)</u>
<u>Rounding</u>			
<u>Change in Non Admitted Assets</u>			
Change in fund balance for the period		<u>(731,226)</u>	<u>(43,553)</u>
Fund balance, current period	\$	<u>5,200,220</u>	<u>5,931,446</u>



Contract Year January 1, 2018 to December 31, 2018  
**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 03/31/2018

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 24	1,422,582	151,393	1,271,189	716,700	25,541	742,241	268,447	83,330	95,360	477,137	58.4%	37.5%	22,675
0	243	PCY 23	1,885,501	210,142	1,675,359	1,049,152	54,345	1,103,496	312,500	211,578	77,468	601,545	65.9%	35.9%	73,225
0	424	PCY 22	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 21	1,754,515	117,122	1,637,393	1,804,856	90,802	1,895,658	204,543	217,864	102,541	524,948	115.8%	32.1%	142,705
2	572	PCY 20	1,377,722	79,456	1,298,266	1,320,753	90,598	1,411,350	187,000	211,071	82,901	480,972	108.7%	37.0%	118,190
4	551	PCY 19	1,552,110	80,124	1,471,986	1,563,775	147,702	1,711,477	185,000	180,573	77,853	453,226	116.3%	30.8%	95,882
1	552	PCY 18	1,689,773	86,819	1,602,954	1,454,594	125,722	1,580,317	180,000	188,080	73,593	451,673	98.6%	28.2%	129,613
0	605	PCY 17	1,965,656	127,168	1,838,488	1,097,466	83,220	1,180,715	195,000	186,428	55,589	437,017	84.2%	23.8%	101,894
1	670	PCY 16	2,616,641	189,458	2,427,183	1,211,714	129,112	1,340,826	217,500	243,407	89,799	530,706	55.2%	21.9%	50,668
1	612	PCY 15	3,274,489	366,991	2,907,498	1,474,072	149,296	1,623,367	280,000	274,918	96,694	651,602	55.8%	22.4%	52,492
2	848	PCY 14	3,258,648	221,435	3,035,213	2,330,012	150,839	2,480,851	293,000	308,419	134,300	735,719	81.7%	24.2%	59,068
11	770	PCY 13	3,837,793	374,472	3,463,321	3,673,806	262,370	4,136,176	310,000	303,923	195,148	809,071	119.4%	23.4%	98,274
16	765	PCY 12	4,272,140	384,425	3,887,715	2,660,804	201,076	2,861,880	330,000	409,548	164,537	904,085	73.6%	23.3%	234,986
7	906	PCY 11	4,950,171	420,728	4,529,443	2,825,334	205,737	3,031,071	365,000	384,794	157,905	907,699	66.9%	20.0%	263,024
12	768	PCY 10	5,519,169	372,790	5,146,379	3,447,202	251,109	3,698,311	375,000	400,364	180,033	955,397	71.9%	18.6%	245,802
10	654	PCY 9	5,193,427	341,935	4,851,492	2,050,025	141,658	2,191,683	390,000	422,122	158,851	970,983	45.2%	20.0%	81,601
15	666	PCY 8	5,213,859	351,375	4,862,484	4,097,024	215,003	4,312,026	410,000	411,213	218,444	1,039,657	88.7%	21.4%	52,768
7	635	PCY 7	4,442,326	336,966	4,105,361	2,862,734	151,978	3,014,712	400,000	374,349	211,548	985,897	73.4%	24.0%	72,925
5	598	PCY 6	4,484,533	337,595	4,146,938	1,968,759	179,170	2,147,929	400,000	407,066	174,669	981,755	51.8%	23.7%	70,104
4	696	PCY 5	4,853,835	395,128	4,458,707	1,735,730	134,876	1,870,606	590,600	286,205	112,977	979,782	42.0%	22.0%	71,861
6	742	PCY 4	5,460,344	432,750	5,027,594	3,154,245	160,525	3,314,770	596,571	291,845	383,143	1,271,559	65.9%	25.3%	107,601
10	725	PCY 3	5,261,044	456,352	4,804,692	1,807,506	172,221	1,979,727	628,560	291,393	190,117	1,110,070	41.2%	23.1%	128,600
16	778	PCY 2	4,829,526	474,781	4,354,745	1,739,214	157,775	1,896,989	649,360	329,247	24,920	1,003,526	43.8%	23.0%	160,374
319	827	PCY 1	1,841,119	125,907	1,515,212	2,679,607	277,066	2,956,673	671,847	206,797	124,882	1,003,526	195.1%	66.2%	51,797
112	171	CCY	1,254,109	125,907	1,128,202	969,270	87,655	1,056,925	671,847	(401,931)	124,882	394,798	93.7%	35.0%	51,797

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.

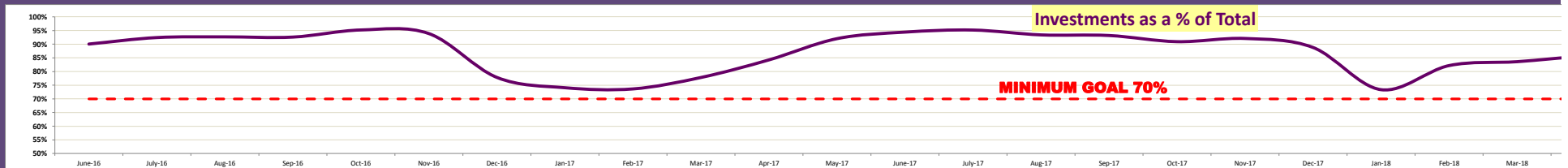
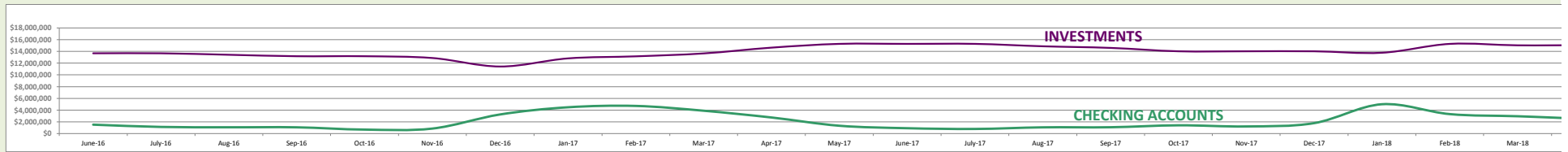
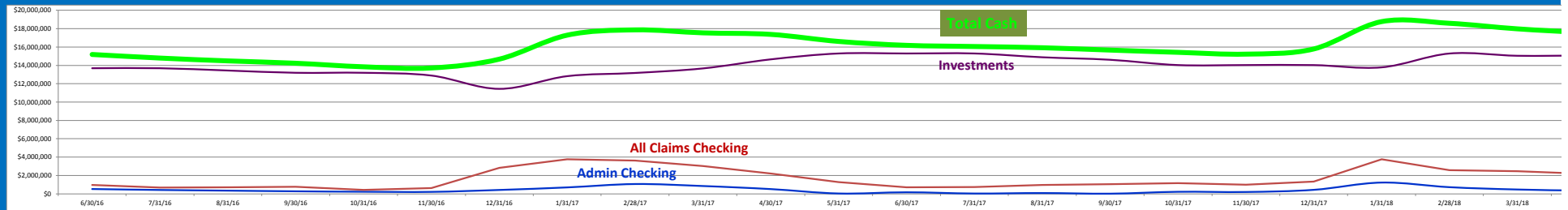


# KMIT Cash/Investment Summary

June 30, 2016--May 31, 2018

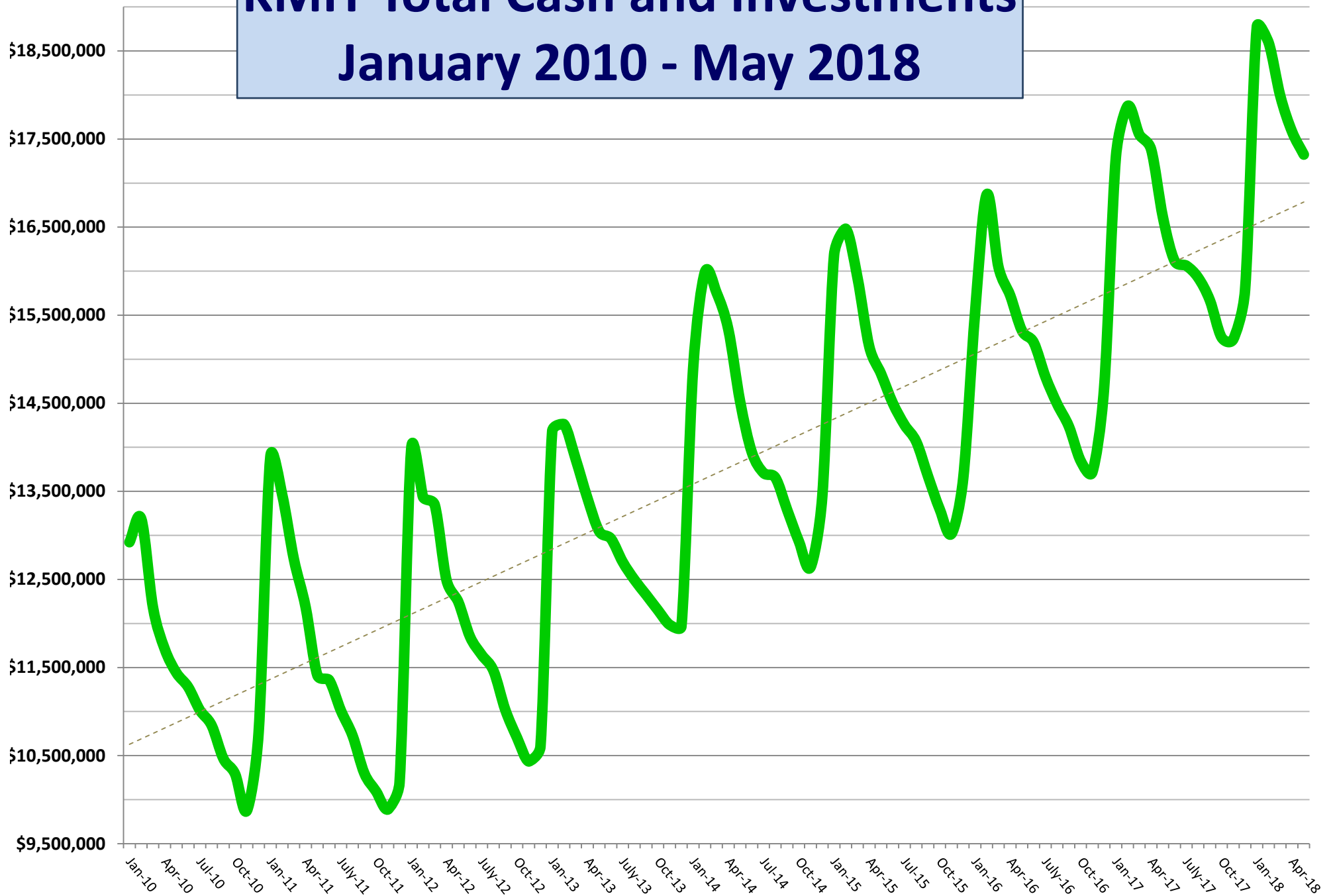
	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17	1/31/18	2/28/18	3/31/18
<b>KMIT Admin Fund</b>																						
Admin Account (CORnerstone)	530,728	428,163	354,802	283,967	234,079	219,697	430,948	708,262	1,076,226	859,998	525,561	43,165	175,479	41,756	94,380	25,971	230,390	208,808	443,016	1,237,217	734,337	479,954
Admin Checking	530,728	428,163	354,802	283,967	234,079	219,697	430,948	708,262	1,076,226	859,998	525,561	43,165	175,479	41,756	94,380	25,971	230,390	208,808	443,016	1,237,217	734,337	479,954
<b>KMIT Claims Fund</b>																						
Claims Account (CORnerstone)	654,244	598,584	574,353	566,173	372,993	539,135	2,566,118	3,609,069	3,356,821	2,765,303	1,909,755	884,370	647,100	252,911	681,320	866,691	988,013	792,603	1,070,206	3,588,666	2,452,059	2,227,550
Claims Checking Acc't (TRISTAR)	321,905	89,682	127,454	199,161	52,523	77,000	252,457	162,189	274,153	262,147	296,457	393,557	75,262	475,262	271,193	171,316	176,942	198,612	250,559	169,273	122,596	237,228
Claims Checking	976,150	688,266	701,807	765,335	425,515	616,135	2,818,574	3,771,258	3,630,973	3,027,450	2,206,212	1,277,928	722,362	728,173	952,513	1,038,007	1,164,955	991,215	1,320,765	3,757,939	2,574,655	2,464,778

<b>INVESTMENTS</b>																						
All Investments	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	14,650,000	15,292,000	15,292,000	15,292,000	14,880,000	14,605,000	14,029,000	14,027,920	14,026,823	13,778,823	15,286,800	15,042,978
<b>TOTAL CASH</b>	<b>15,190,878</b>	<b>14,800,429</b>	<b>14,491,609</b>	<b>14,235,302</b>	<b>13,845,595</b>	<b>13,719,428</b>	<b>14,682,522</b>	<b>17,297,520</b>	<b>17,875,199</b>	<b>17,549,448</b>	<b>17,381,774</b>	<b>16,613,093</b>	<b>16,189,841</b>	<b>16,061,929</b>	<b>15,926,893</b>	<b>15,668,978</b>	<b>15,424,345</b>	<b>15,227,943</b>	<b>15,790,604</b>	<b>18,773,979</b>	<b>18,595,792</b>	<b>17,987,710</b>
	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	4/30/17	5/31/17	6/30/17	7/31/17	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17	1/31/18	2/28/18	3/31/18



# KMIT Total Cash and Investments

## January 2010 - May 2018

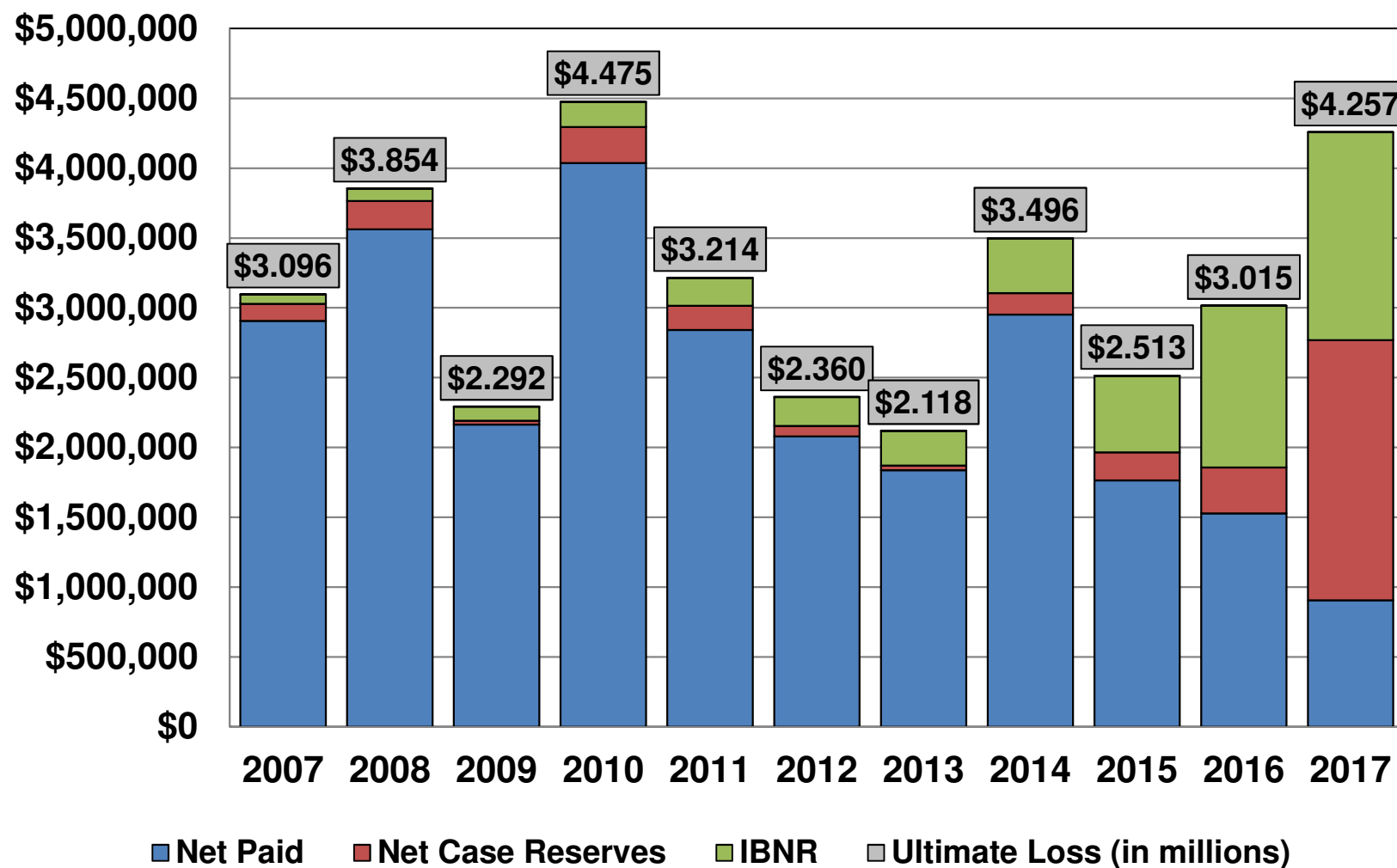


12/31/2017  
**Actuarial Analysis**  
Prepared By: Milliman, Inc.

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## Breakdown of Ultimate Loss by Year





**KMIT Net Ultimate Loss & ALAE  
Limited to Aggregate Retentions**

<b>Accident Year</b>	<b>Selected @ 12/31/17</b>	<b>Selected @ 12/31/16</b>	<b>Difference</b>
1994	\$742,241	\$742,241	\$0
1995	1,103,496	1,103,496	0
1996	836,631	836,631	0
1997	1,543,031	1,543,031	0
1998	1,328,630	1,328,630	0
1999	1,540,262	1,540,262	0
2000	1,580,308	1,582,392	(2,084)
2001	1,180,574	1,180,293	281
2002	1,340,826	1,340,826	0
2003	1,623,367	1,623,367	0
2004	2,519,541	2,532,173	(12,632)
2005	4,173,858	4,072,468	101,390
2006	2,914,845	2,917,637	(2,792)
2007	3,096,009	3,119,365	(23,356)
2008	3,853,904	3,827,405	26,499
2009	2,291,932	2,284,057	7,875
2010	4,474,712	4,419,595	55,117
2011	3,213,735	3,238,534	(24,799)
2012	2,360,121	2,395,507	(35,386)
2013	2,118,375	2,122,197	(3,822)
2014	3,496,474	3,510,038	(13,564)
2015	2,513,235	2,754,873	(241,638)
2016	3,014,634	3,496,226	(481,592)
2017	4,256,665	3,589,567	667,098
<b>Total</b>	<b>\$57,117,406</b>	<b>\$57,100,811</b>	<b>\$16,595</b>

LOOKING FORWARD...

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## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

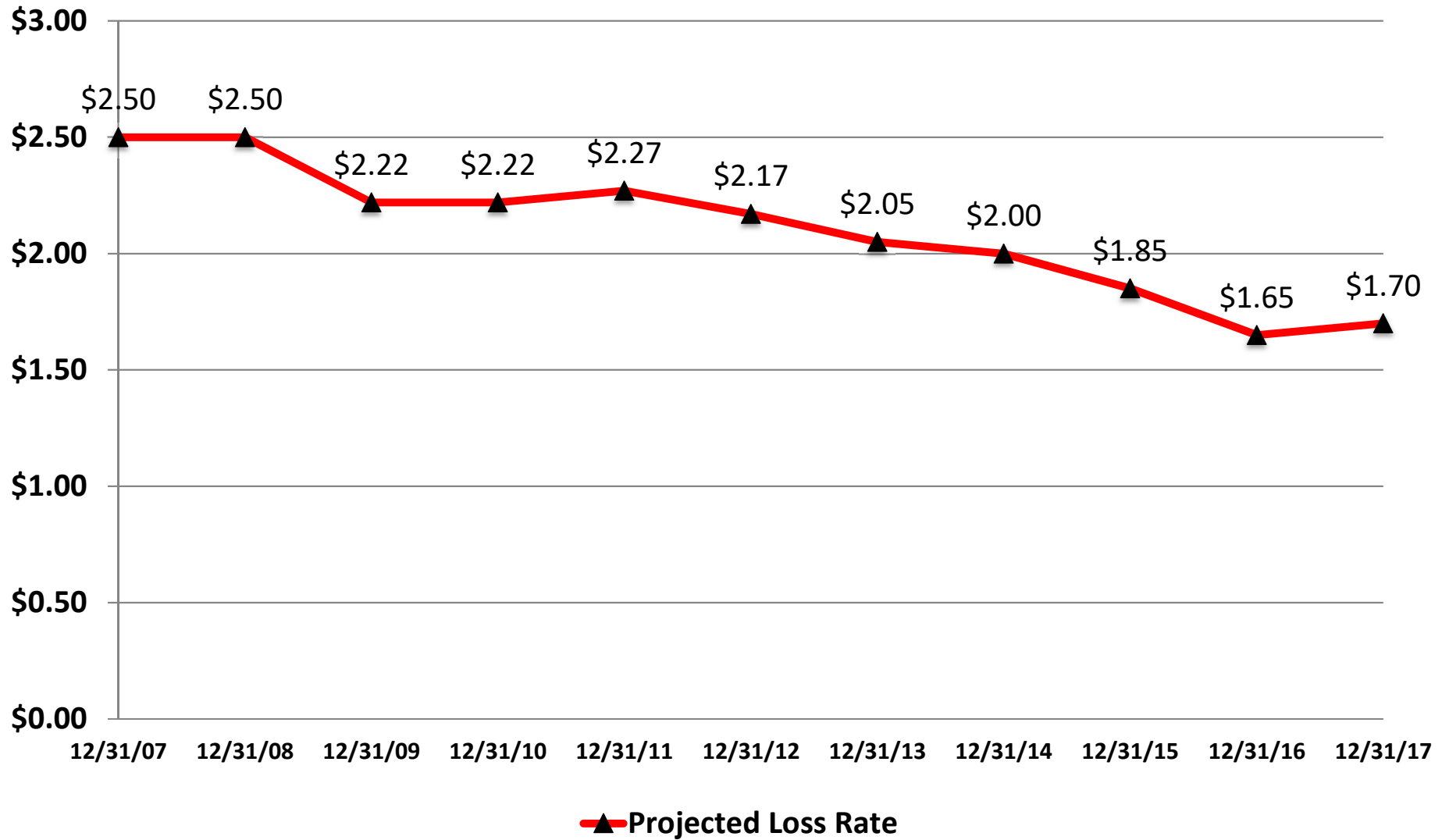
Workers' Compensation  
Projected 2018 Ultimate Loss & ALAE

	(1)	(2)	(3)	(4)	(5)	(6)	(7) (3)x(4)x(5)x(6)
Accident Year	Ultimate Loss & ALAE Gross of Aggregate	Payroll (\$00's)	Pure Premium	Increased Limits Factor to \$750,000*	Benefit Level Adjustment Factor	Trend Factor**	Trended Pure Premium at \$750,000 Retention
2006	\$2,914,845	\$1,399,227	2.08	1.000	1.061	1.00	2.21
2007	3,096,009	1,485,167	2.08	1.000	1.052	1.00	2.19
2008	3,853,904	1,588,854	2.43	1.000	1.028	1.00	2.50
2009	2,291,932	1,593,899	1.44	1.000	1.023	1.00	1.47
2010	4,474,712	1,606,836	2.78	1.000	1.032	1.00	2.87
2011	3,213,735	1,534,033	2.09	1.000	1.026	1.00	2.14
2012	2,360,121	1,596,327	1.48	1.000	1.021	1.00	1.51
2013	2,118,375	1,717,948	1.23	1.000	1.018	1.00	1.25
2014	3,496,474	1,867,135	1.87	1.000	1.004	1.00	1.88
2015	2,513,235	1,894,466	1.33	1.000	1.006	1.00	1.34
2016	3,014,634	1,939,128	1.55	1.000	1.002	1.00	1.55
2017	4,256,665	2,262,105	1.88	1.000	1.000	1.00	1.88
Total	\$37,604,641	\$20,485,127	1.83			Weighted Average	1.88
						Avg L4	1.66
						Avg L2	1.72
						NCCI Kansas	1.31
(8)	2018 Selected Net Pure Premium						1.70
(9)	2018 Projected Payroll (\$00's)						\$2,194,891
(10)=(8)x(9)	Estimated KMIT 2018 Ultimate Losses and ALAE (Prior to Aggregate Excess Insurance)						\$3,731,314
(11)	Aggregate Retention for 2018						\$7,726,015
(12)=Min[(10),(11)]	Estimated KMIT 2018 Ultimate Losses and ALAE (Limited to Aggregate Retention)						\$3,731,314
(13)	Discount Factor at 2.0%						0.949
(14)=(12)x(13)	Present Value of Estimated KMIT 2018 Ultimate Losses and ALAE (Limited to Aggregate Retention)						\$3,541,017

\* Based on Kansas NCCI Filing.

\*\* Trended at 0.0% per year.

## Projected Loss Rate by Report Valuation Date





## CLAIM SUMMARY - SETTLEMENT

**Employer:** City of Neodesha  
**Claim No.:** 2016075317  
**Employee Age:** 45  
**AWW:** \$963.28  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 11/22/16  
**Job Description:** Fireman  
**Updated:** 6/4/18  
**TTD Rate:** \$627.00  
**Employer:** -NA

	Medical	Indemnity	Expense	Total
Reserves	\$32,000.00	\$0.00	\$3,000.00	\$35,000.00
Amount Paid	\$11,583.06	\$0.00	\$392.54	\$11,975.60
Outstanding	\$20,416.94	\$0.00	\$2,607.46	\$23,024.40

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

Claimant had responded to fire call at Aresol plant. He was out of the fire truck but had not entered the building when a large explosion occurred, knocking him into the fire truck, injuring his back.

### **Investigation/Compensability**

There were several other coworkers at the scene, the injuries promptly report and the injury not questioned.

### **Medical Management**

He was initially treated by the city's authorized doctor with conservative treatment and made a full recovery from his soft tissue back injuries. He had persistent ringing in his ears and was referred to hearing specialist Dr. Robinson for additional care. He has been supplied with bilateral hearing aids.

### **Periods of Disability**

He returned to work within the 7 day waiting period.

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

Dr. Robinson has indicated zero permanent partial disability.

### **Subrogation/Other Issues**

The fireman rule in Kansas prohibits recovery from the Aersol plant. There are no sources for contribution.

### **Plan of Action:**

He has an ongoing need for bilateral hearing aids, which are reported to last approximately 5 years. Based on the hearing aid life expectancy, I would like settlement authority, to offer up to \$20,000 to buy out of future medical can close file.

## CLAIM SUMMARY-SETTLEMENT REQUEST

**Employer:** City of Edwardsville  
**Claim No.:** 2016073948  
**Employee Age:** 59  
**AWW:** \$1,124.03  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 5/21/2016  
**Job Description:** City Treasurer  
**Updated:** 6/15/2018  
**TTD Rate:** \$610.00  
**Employer:** -NA

	Medical	Indemnity	Expense	Total
Reserves	\$40,000.00	\$17,751.00	\$6,500.00	\$64,251.00
Amount Paid	\$30,622.48	\$0.00	\$1,445.89	\$32,068.37
Outstanding	\$9,377.52	\$17,751.00	\$5,054.11	\$32,182.63

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

City was having clean-up date at city hall and throwing away stuff no longer needed. Claimant threw a board into a dumpster and the board bounced back and hit her in the face.

### **Investigation/Compensability**

Accident reported promptly, received medical treatment same day and the injury accepted as compensable.

### **Medical Management**

Claimant saw her personal dentist due to jaw and teeth pain and limited oral opening. She was referred to Dr. Raman who specialized in TMJ treatment. She has had extensive treatment with him to include orthotics to align her jaw, sleep appliances, and a panorex of her teeth. She continues to have neck/upper neck pain, diminished ability to open her mouth, night time headaches and chronic jaw aching.

### **Periods of Disability**

She did not meet the 7-day waiting period for TTD benefits.

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

Reserves reflect 7% PPD.

### **Subrogation/Other Issues**

No source for subrogation. Dr. Fevurly has rated her at 10% BAW but assigns 3% to preexisting factors unrelated to her work injury.

### **Plan of Action:**

I am requesting settlement authority to \$21,768. Dr. Fevurly's rating calculated  $415 \times 7\% = 29.1$  weeks ppd  $\times \$610 = \$17,751$  and her doctor has submitted a \$4,017 estimate for a interdental fixation device, which is permanently installed orthotic. A settlement of all issues is desired and she is not represented so I believe it is achievable.

## CLAIM SUMMARY-RESERVES

**Employer:** City of Kinsley  
**Claim No.:** 2016074253  
**Employee Age:** 62  
**AWW:** \$586.19  
**Attorneys:** Employee Shane Bangerter  
**Adjuster:** Gene Miller

**Date of Injury:** 5/4/2016  
**Job Description:** Public Works  
**Updated:** 6/7/2018  
**TTD Rate:** \$390.79  
**Employer:** Ron Laskowski

	Medical	Indemnity	Expense	Total
<b>Reserves</b>	<b>\$46,500.00</b>	<b>\$15,000.00</b>	<b>\$3,000.00</b>	<b>\$64,500.00</b>
<b>Amount Paid</b>	<b>\$43,771.86</b>	<b>\$390.79</b>	<b>\$1,094.71</b>	<b>\$45,257.36</b>
<b>Outstanding</b>	<b>\$2,728.14</b>	<b>\$14,609.21</b>	<b>\$1,905.29</b>	<b>\$19,242.64</b>

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

Claimant was painting inside of city pool using roller on long pole. The pole broke and he fell, injuring his left shoulder.

### **Investigation/Compensability**

The accident was witnessed and reported promptly. The injury was accepted as compensable.

### **Medical Management**

Didn't seek treatment for a few weeks but when no improvement, he went to city doctor and was referred to orthopedic Dr. Neel. A MRI was done which revealed left rotator cuff tear and surgery was performed 8/30/16.

### **Periods of Disability**

8/30/16 to 9/11/16.

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

Dr. Neel released him MMI on 8/12/17 and assigned 14% left shoulder disability rating (12,270.81).

### **Subrogation/Other Issues**

No source for subrogation or contribution.

### **Plan of Action:**

Pool Administrator had provided settlement authority and offer extended 9/26/17. Settlement offer accepted 4/19/18 and settlement hearing scheduled 5/15/18. Claimant advised at hearing that he was represented so hearing was canceled.

We are waiting for his attorney to submit an alternative rating and make a demand. If we are unable to reach a compromise the ALJ may order an IME rating. Our goal will be to settle this claim in its entirety.

## CLAIM SUMMARY-RESERVES

**Employer:** City of Stafford  
**Claim No.:** 18721899  
**Employee Age:** 37  
**AWW:** \$480.00 (est)  
**Attorneys:** Employee Todd King  
**Adjuster:** Gene Miller

**Date of Injury:** 5/18/2018  
**Job Description:**  
**Updated:** 6/7/2018  
**TTD Rate:** \$320.00 (est)  
**Employer:** Ron Laskowski

	Medical	Indemnity	Expense	Total
<b>Reserves</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>	<b>\$11,500.00</b>	<b>\$31,500.00</b>
<b>Amount Paid</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Outstanding</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>	<b>\$11,500.00</b>	<b>\$31,500.00</b>

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

Claimant had bent over to pick up a street light and was unable to straighten back up.

### **Investigation/Compensability**

He was working with his supervisor so the injury was not questioned. He has an existing claim from an injury on 5/4/16, also to his back. We are awaiting the prevailing factor opinion from Dr. Estivo on whether this injury is a continuation of the earlier injury or a new and separate injury.

### **Medical Management**

The cities doctor took him off work and said he needed an orthopedic referral. We sent him to Dr. Estivo who has ordered an MRI and will address the above question about continuation of 5/4/16 injury or new injury along with treatment recommendations.

### **Periods of Disability**

5/19/18 to 5/31/18. No TTD benefits have been paid as we await Dr. Estivo's report.

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

Reserves reflect 3% body.

### **Subrogation/Other Issues**

There are no sources for subrogation. We were in settlement discussions with his attorney about settling the 5/4/16 claim, when this injury occurred.

### **Plan of Action:**

We are awaiting Dr. Estivo's report to know what position to take. If this injury is merely a continuation of the 5/4/16 claim, we may be able to close this file. If it is a new injury, we may be able to assert claim is merely an aggravation of a preexisting condition. We will also explore settlement of both claims in universal settlement. It is worth noting the city is willing to contribute \$10,000 to our settlement to include a voluntary resignation.

## CLAIM SUMMARY- RESERVES

**Employer:** City of Benton  
**Claim No.:** 18717866  
**Employee Age:** 44  
**AWW:** \$724.91  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 4/18/2018  
**Job Description:** Policeman  
**Updated:** 6/8/2018  
**TTD Rate:** \$483.27  
**Employer:** -NA

	Medical	Indemnity	Expense	Total
<b>Reserves</b>	<b>\$25,000.00</b>	<b>\$10,000.00</b>	<b>\$4,000.00</b>	<b>\$39,000.00</b>
<b>Amount Paid</b>	<b>\$2,123.33</b>	<b>\$345.19</b>	<b>\$66.27</b>	<b>\$2,534.79</b>
<b>Outstanding</b>	<b>\$22,876.67</b>	<b>\$9,654.81</b>	<b>\$3,933.73</b>	<b>\$36,465.21</b>

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

Claimant was assisting carrying a patient from home and when he stepped off porch onto uneven ground, he injured his right knee.

### **Investigation/Compensability**

Accident was reported promptly, witnessed and accepted as compensable.

### **Medical Management**

MRI was performed which revealed torn meniscus and knee was scoped by Dr. Do on 5/18/18. He is currently completing the prescribed course of physical therapy along with home exercise program.

### **Periods of Disability**

5/18/18 to 5/29/18.

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

PPD reserves reflect 5% to knee.

### **Subrogation/Other Issues**

No source for contribution. He does have arthritis in this knee which may prolong recovery and omitted from his disability rating.

### **Plan of Action:**

Early return to work was achieved with the city providing an accommodated position. I will continue to follow-up with him after every doctor's appointment until he is released from care. At that point, a disability rating will be requested and upon receipt, settlement authority obtained settlement of all issues negotiated, Division approval obtained and file closed.



## CLAIM SUMMARY-RESERVES

**Employer:** City of Augusta  
**Claim No.:** 18709621  
**Employee Age:** 67  
**AWW:** \$732.40 (est)  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 2/22/2018  
**Job Description:** Mechanic  
**Updated:** 6/7/2018  
**TTD Rate:** \$488.27 (est)  
**Employer:** -NA

	Medical	Indemnity	Expense	Total
<b>Reserves</b>	<b>\$50,000.00</b>	<b>\$23,250.00</b>	<b>\$7515.00</b>	<b>\$80,765.00</b>
<b>Amount Paid</b>	<b>\$38,403.68</b>	<b>\$0.00</b>	<b>\$960.18</b>	<b>\$12,556.50</b>
<b>Outstanding</b>	<b>\$11,596.32</b>	<b>\$23,250.00</b>	<b>\$6,554.82</b>	<b>\$68,208.50</b>

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

Claimant was in the city lot working on a sanding truck when he slipped/fell on ice. He put his right arm out to break his fall and landed on his right shoulder, injuring same.

### **Investigation/Compensability**

The accident/injury was promptly reported, he was sent to the authorized treating doctor and the injury accepted as compensable.

### **Medical Management**

A MRI was ordered which revealed a full thickness tear in his shoulder and arthroscopic surgery was performed by Dr. Do on 4/20/18. He was released to modified duty the next day. He is currently participating in physical therapy with release expected 6 months post-surgery.

### **Periods of Disability**

He did not meet the 7-day waiting period for TTD benefits.

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

Reserves reflect 10% shoulder.

### **Subrogation/Other Issues**

There are no sources for subrogation or contribution.

### **Plan of Action:**

Early return to work with the city's modified work program already achieved. I will continue to monitor his medical progress by speaking with him after every doctor's appointment until he is released MMI. A disability rating will be requested, settlement authority obtained, settlement of all issues negotiated, Division approval obtained and file closed.

## CLAIM SUMMARY-RESERVES

**Employer:** City of Wellington  
**Claim No.:** 18722113  
**Employee Age:** 44  
**AWW:** \$490.00(est)  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 5/7/2018  
**Job Description:** Sanitation  
**Updated:** 6/12/2018  
**TTD Rate:** \$326.67 (est)  
**Employer:** -NA

	Medical	Indemnity	Expense	Total
<b>Reserves</b>	<b>\$25,000.00</b>	<b>\$5,000.00</b>	<b>\$3,700.00</b>	<b>\$33,700.00</b>
<b>Amount Paid</b>	<b>\$64,61</b>	<b>\$0.00</b>	<b>\$16.38</b>	<b>\$80.99</b>
<b>Outstanding</b>	<b>\$24,935.39</b>	<b>\$5,000.00</b>	<b>\$3,683.62</b>	<b>\$33,619.01</b>

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

Claimant was stepping up on running board to enter cab when his foot slipped off and he fell, twisting his right knee.

### **Investigation/Compensability**

The accident was witnessed by a coworker, promptly report and accepted as compensable.

### **Medical Management**

Conservative treatment failed, a MRI was ordered which revealed torn meniscus and he was referred to orthopedic Dr. Do. We anticipate he will undergo arthroscopic surgery to repair his knee.

### **Periods of Disability**

No lost time from work to date.

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

Reserves reflect 5% PPD to his knee.

### **Subrogation/Other Issues**

There are no sources for subrogation or contribution.

### **Plan of Action:**

I anticipate surgery and will strive for early return to work thereafter. I will follow-up with him after every doctor's appointment till released MMI. A disability rating will then be requested, settlement of all issues negotiated, Division approval obtained and file closed.

## CLAIM SUMMARY-RESERVES

**Employer:** City of Reading  
**Claim No.:** 18715963  
**Employee Age:** 55  
**AWW:** \$597.96  
**Attorneys:** Employee -NA  
**Adjuster:** Gene Miller

**Date of Injury:** 2/7/2018  
**Job Description:**  
**Updated:** 6/8/2018  
**TTD Rate:** \$398.64  
**Employer:** -NA

	Medical	Indemnity	Expense	Total
<b>Reserves</b>	<b>\$50,000.00</b>	<b>\$15,000.00</b>	<b>\$6,500.00</b>	<b>\$71,500.00</b>
<b>Amount Paid</b>	<b>\$951.24</b>	<b>\$1,708.46</b>	<b>\$95.58</b>	<b>\$2,755.28</b>
<b>Outstanding</b>	<b>\$49,048.76</b>	<b>\$13,291.54</b>	<b>\$6,404.42</b>	<b>\$68,744.72</b>

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

Claimant was throwing trash into bucket of backhoe and slipped on ice injuring his low back.

### **Investigation/Compensability**

He was working alone so no witness. He thought the injury would resolve with time but after a couple of days he reported. We have accepted the injury as compensable.

### **Medical Management**

The city initially sent him to a chiropractor but after no improvement he was sent to Osage Family Clinic. He also saw his PCP for annual checkup and was diagnosed with blood cell melanoma. A MRI was done which revealed a compression fracture and a 'plasty' procedure was done 5/8/18 and then chemotherapy was to follow shortly thereafter.

### **Periods of Disability**

5/8/18 to present.

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

Reserve reflects 2 ½% PPD to back.

### **Subrogation/Other Issues**

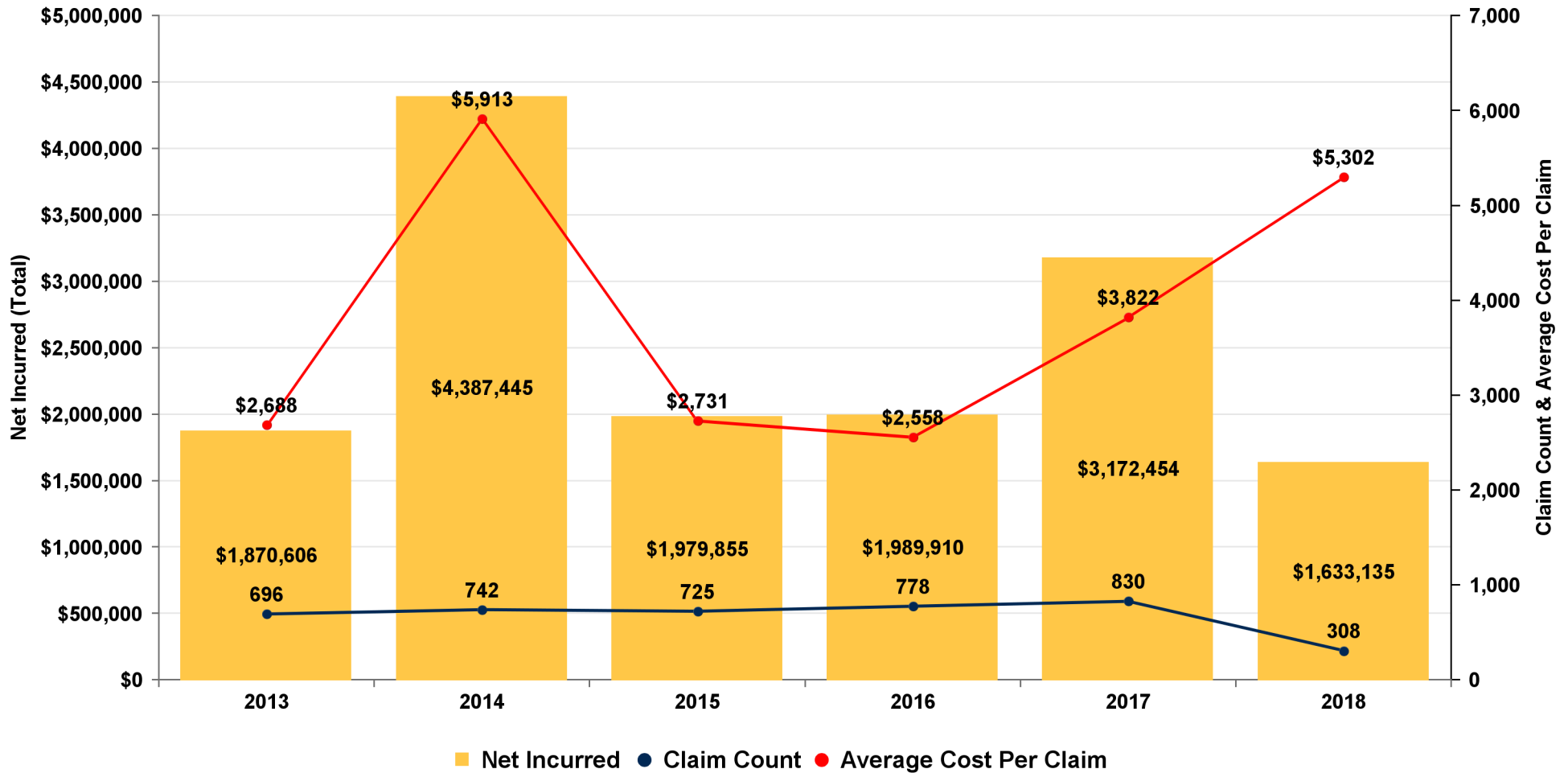
No source for subrogation or contribution. Certainly his cancer treatment may complicate his recovery from the back surgery.

### **Plan of Action:**

I am following his recovery from the back surgery and will strive for early return to work.

**KMIT Loss Control: Claim Trend Analysis**  
**Accident Date Range: 1/1/2013 to 5/31/2018**  
**Valued As Of 5/31/2018**

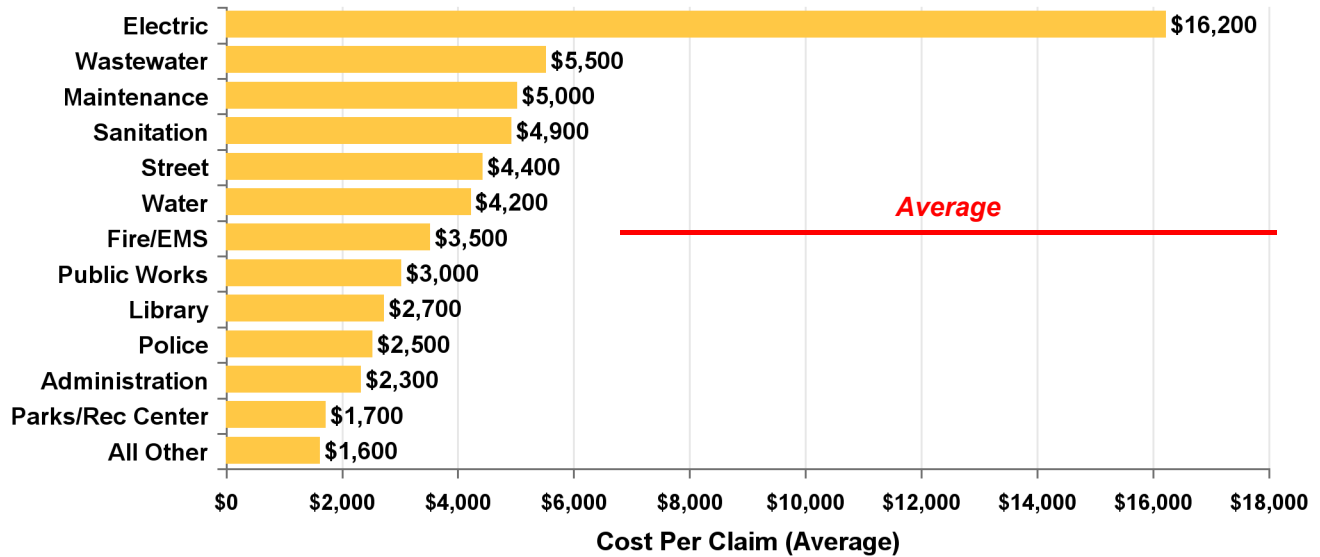
**Severity & Frequency By Year**



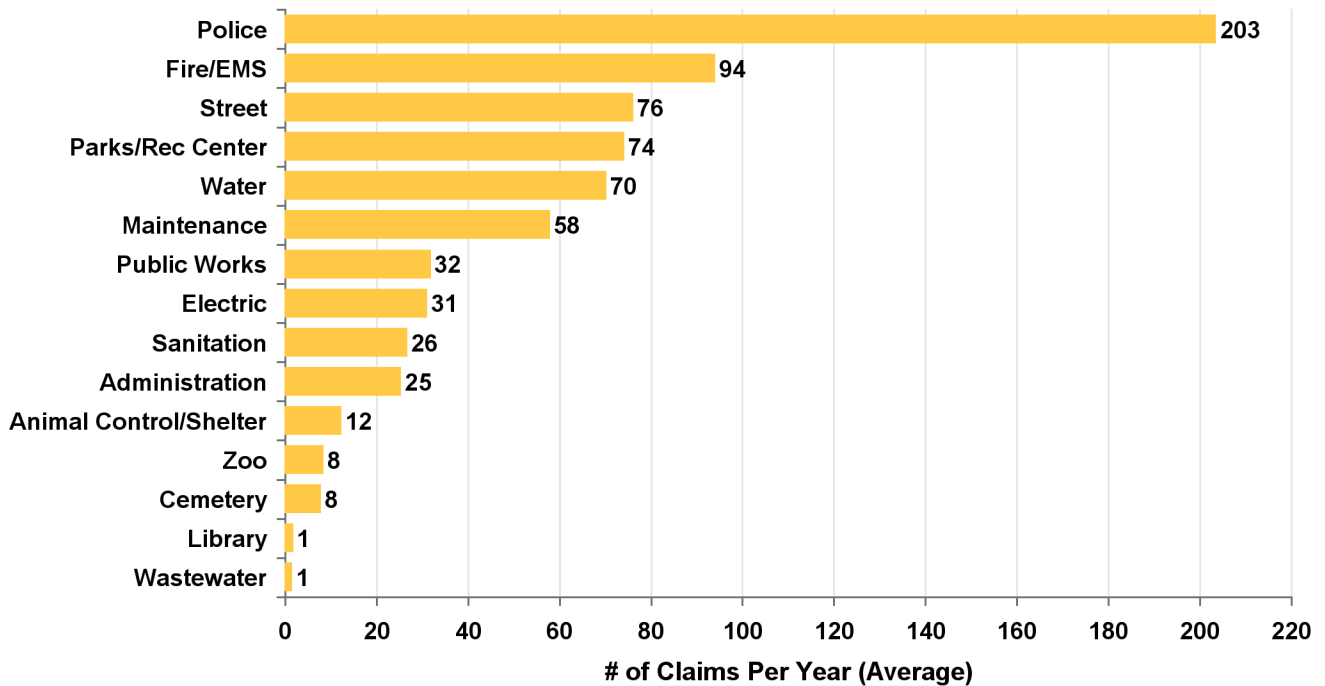
# KMIT Loss Control: Claim Trend Analysis

Accident Date Range: 1/1/2013 to 5/31/2018  
Valued As Of 5/31/2018

## Average Severity Per Claim By Department



## Average Frequency Per Year By Department



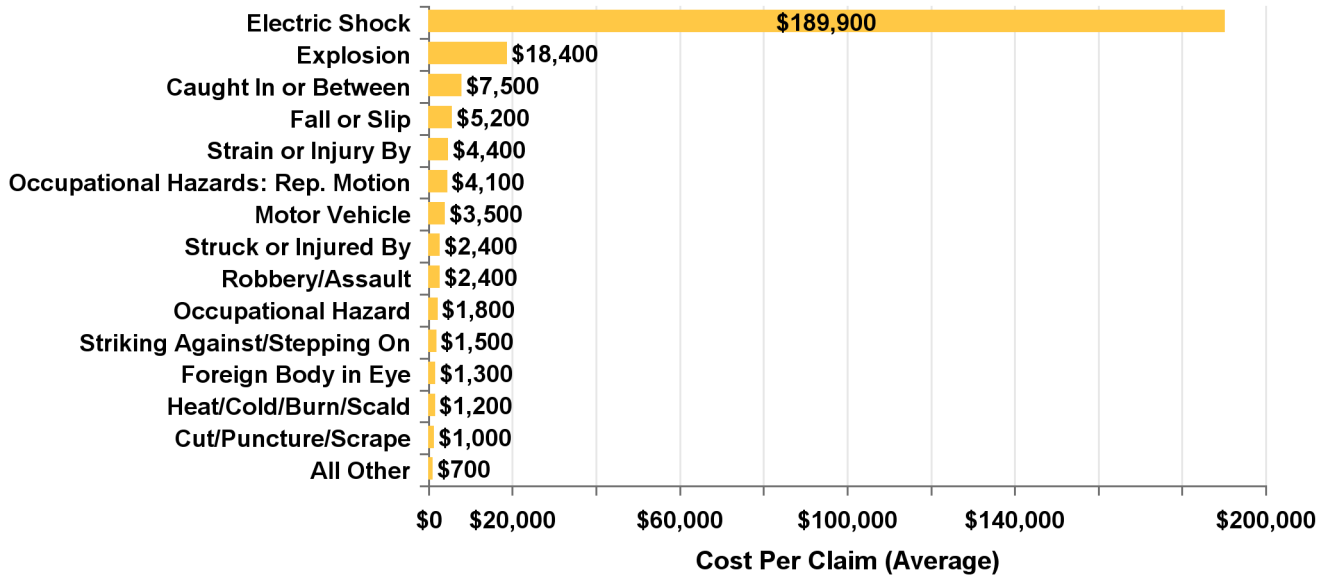


# KMIT Loss Control: Claim Trend Analysis

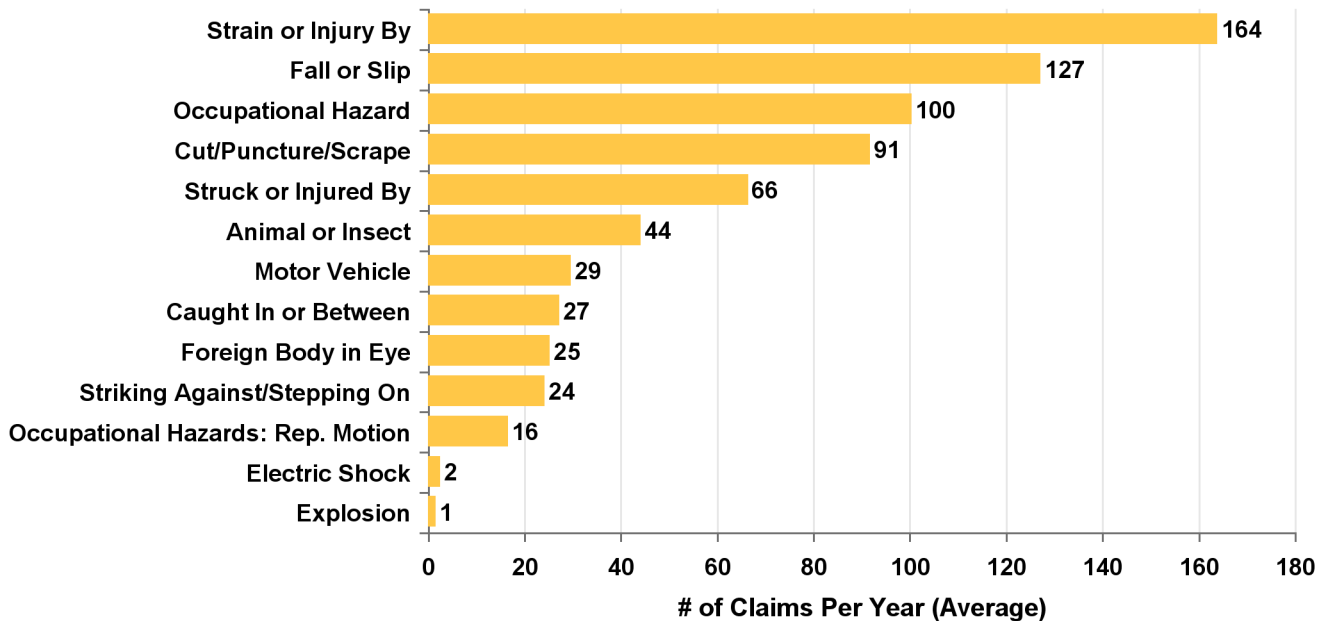
## Accident Date Range: 1/1/2013 to 5/31/2018

### Valued As Of 5/31/2018

#### Average Severity Per Claim By Accident Type



#### Average Frequency Per Year By Accident Type



**KMIT Loss Control: Claim Trend Analysis**  
**Accident Date Range: 1/1/2013 to 5/31/2018**  
**Valued As Of 5/31/2018**

**Claims \$100,000 or Greater**

Rank	Policy Year	Claim Number	Accident Date	Claim Status	City	Department	Accident Type	Claim Cost
1	2014	2014048019	4/14/14	Open	City Of Russell	Electric	Electric Shock	\$1,964,614
2	2018	18702074	1/1/18	Open	City Of Wamego	Fire	Fall or Slip	\$445,000
3	2017	17701681	12/21/17	Open	City Of Arkansas City	Street	Caught In or Between	\$425,700
4	2015	2015071784	8/17/15	Open	City Of Augusta	Sanitation	Caught In or Between	\$390,000
5	2017	2017076443	5/2/17	Open	City Of Fort Scott	Police	Occupational Hazard	\$270,000
6	2014	2014048312	6/11/14	Closed	City Of Lucas	Maintenance	Electric Shock	\$247,481
7	2013	2013047001	10/11/13	Closed	City Of Spring Hill	Street	Strain or Injury By	\$244,305
8	2016	2016074973	10/11/16	Open	City Of Eudora	Water	Fall or Slip	\$176,073
9	2017	2017076410	4/30/17	Open	City Of Garden City	Electric	Occupational Hazard	\$141,000
10	2014	2014069973	12/5/14	Open	City Of Fredonia	Police	Motor Vehicle	\$137,500
11	2014	2014069578	10/7/14	Open	City Of Minneapolis	Water	Foreign Body in Eye	\$137,201
12	2018	18714294	3/27/18	Open	City Of Halstead	Maintenance	Fall or Slip	\$135,400
13	2014	2014048087	4/9/14	Closed	City Of Arkansas City	Street	Strain or Injury By	\$124,830
14	2014	2014048340	6/16/14	Closed	City Of Valley Center	Maintenance	Fall or Slip	\$122,460
15	2016	2016073786	4/29/16	Re-Open	City Of Atchison	Public Works	Strain or Injury By	\$111,731
16	2013	2013047392	12/30/13	Closed	City Of Newton	Water	Fall or Slip	\$111,281
17	2014	2014069536	10/9/14	Open	City Of Atchison	Maintenance	Strain or Injury By	\$110,500
18	2016	2016072899	1/7/16	Closed	City Of La Cygne	Street	Strain or Injury By	\$105,289
<b>Totals - Claims \$100,000 or Greater</b>							<b>(18 Claims)</b>	<b>\$5,400,366</b>
							<b>Average:</b>	<b>\$300,020</b>

# OPERATING POLICY #5

**General Subject: Board Position for Community Colleges**

**Title of Policy: *Ad Hoc* (Non-Voting) Community College Position**

**Adoption Date: unk**

This policy establishes one *Ad Hoc* (non-voting) position specifically for the purpose of adding a Community College representative to the Board of Trustees. This *Ad Hoc* position on the Board of Trustees would carry full board status, except for the person in that position will not have a vote.

Background: From the beginning (January 1, 1994), and through December 31, 2017, the KMIT By-Laws limited membership in the pool to a municipality (city) which was a member of the League of Kansas Municipalities (LKM). That changed with the adoption of updated By-Laws in the fall of 2017, which became effective January 1, 2018, and which now allows for membership by any 'municipality' (as defined by statute) in Kansas.

In the spring of 2018, KMIT offered membership to several community colleges, which did result in the addition of **x** community colleges to the pool. Those **x** community colleges became the first *non-city* members of KMIT (other than the LKM).

Purpose: This change allows the Board to learn to better understand how community colleges operate, especially with regards to worker injury risk and finance, while also presenting an opportunity for community colleges to have a voice in KMIT policy, and in the overall management of the pool.

Process: This special *Ad Hoc* position will be appointed by the KMIT President, with consent of the Board, and not be subject to any term-limit restrictions.

Future: It could be anticipated that a future By-Laws change would add a provision for the purpose of making a *non-city* position on the Board of Trustees a permanent feature of KMIT.

It is also possible for additional *Ad Hoc* positions to be added, if and when any other non-city/non-community-college member is accepted for KMIT membership.

# 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 [3]	Eudora	City Manager	N/A	Oct-04	Oct-06	Oct-08			Apr-09
1	Herb Llewellyn	El Dorado	City Manager	Jun-09	Oct-09 <sup>1</sup>	Oct-10	Oct-12			Oct-14
1	<b>David Dillner</b>	<b>El Dorado<sup>5</sup></b>	<b>City Manager</b>	<b>N/A</b>	<b>Oct-14</b>	<b>Oct-16</b>	<b>Oct-18</b>		Oct-20	May-01
2	Nancy Calkins	Ft. Scott	City Clerk	N/A	Oct-00					Jun-07
2	Keith DeHaven	Sedgwick	Mayor	Jun-01	Oct-01	Oct-03	Oct-05			Oct-13
2	Sasha Stiles	Andover	City Administrator	N/A	Oct-07	Oct-09	Oct-11			Mar-14
2	Kathy Axelson	Rose Hill	City Administrator	N/A	Oct-13					
2	<b>Randy Frazer</b>	<b>Moundridge</b>	<b>City Adm/City Clerk</b>	<b>May-14</b>	<b>Oct-14<sup>1</sup></b>	<b>Oct-15</b>	<b>Oct-17</b>	<b>Oct-19</b>	Oct-21	Oct-01
3	Cherise Tieben	Dodge City	HR Director	Jun-99	Oct-00					Apr-02
3	Larry Kenton	Dodge City	Risk Mgr	Oct-01 <sup>2</sup>	Oct-01 <sup>2</sup>					Oct-08
3	Howard Partington	Great Bend	City Administrator	Apr-02	Oct-02	Oct-04	Oct-06			Dec-08
3	Jane Longmeyer	Dodge City	HR Officer	N/A	Oct-08					Mar-12
3	Daron Hall	Ulysses	City Administrator	Jun-09	Oct-09 <sup>1</sup>	Oct-10				
3	<b>Tim Hardy</b>	<b>Elkhart</b>	<b>City Administrator</b>	<b>Jun-12</b>	<b>Oct-12</b>	<b>Oct-14</b>	<b>Oct-16</b>		Oct-18	Oct-01
4	Mark Arbutnot	Abilene	City Manager	?	?					Oct-07
4	Carol Eddington	Oswego	Deputy City Clerk	N/A	Oct-01	Oct-03	Oct-05			Oct-13
4	Bobby Busch	Neodesha	City Clerk	N/A	Oct-07	Oct-09	Oct-11			May-15
4	Tim Vandall	Ellsworth	City Administrator	N/A	Oct-13					
4	<b>Janie Cox</b>	<b>Haysville</b>	<b>City Clerk</b>	<b>N/A</b>	<b>Oct-15</b>	<b>Oct-17</b>	<b>Oct-19</b>		Oct-21	Oct-01
5	Paul Sasse	Independence	City Manager	?	?					Aug-06
5	Cheryl Lanoue	Concordia	City Clerk	N/A	Oct-01	Oct-03	Oct-05			Apr-11
5	Sharon Brown	Clay Center	Mayor	N/A	Oct-06 <sup>1</sup>	Oct-07	Oct-09			Oct-17
5	Debbie Price	Marysville	City Clerk	Apr-10	Oct-11	Oct-13	Oct-15			
5	<b>Greg DuMars</b>	<b>Lindsborg</b>	<b>City Administrator</b>	<b>N/A</b>	<b>Oct-17</b>	<b>Oct-19</b>	<b>Oct-21</b>		Oct-23	May-00
6	Jane Henry	Derby	Environ/Safety Dir	N/A	Oct-96	Oct-98				Oct-02
6	Shawne Boyd	Derby	HR Coord	?-00	Oct-00					Apr-06
6	David Alfaro	Augusta	Assist. City Mgr.	N/A	Oct-02	Oct-04				Dec-10
6	Steve Archer	Arkansas City	City Manager	Apr-06	Oct-06	Oct-08	Oct-10			Aug-14
6	Debra Mootz	Roeland Park	City Clerk/DOF	Dec-10	Oct-11 <sup>1</sup>	Oct-12				Oct-16
6	Nathan McCommon	Tonganoxie	City Manager	N/A	Oct-14					May-18
6	Mike Webb	Edwardsville	City Manager	N/A	Oct-16					
6	<b>VACANT</b>				<b>Oct-18</b>	Oct-20	Oct-22		Oct-24	Apr-01
7	Max Mize	Kingman	Mayor	N/A	Oct-96	Oct-98	Oct-00			Oct-07
7	Gary Hobbie	Russell	City Manager	Jun-01	Oct-01 <sup>1</sup>	Oct-02	Oct-04	Oct-06		Oct-14
7	Larry Paine	Hillsboro	City Administrator	N/A	Oct-07 <sup>1</sup>	Oct-08	Oct-10	Oct-12		June-18
7	Kerry Rozman	Clay Center	City Clerk	N/A	Oct-14	Oct-16				
7	<b>VACANT</b>				<b>Oct-18</b>	Oct-20	Oct-22		Oct-24	Apr-01
8	Ted Stoffus	Bonner Spgs	Mayor	May-97	Oct-99					Oct-04
8	Nancy Calkins	Mission	City Clerk	Jun-01	Oct-01 <sup>4</sup>	Oct-02				Jun-07
8	Ty Lasher	Cheney	City Administrator	N/A	Oct-04	Oct-06				Oct-11
8	Toby Dougherty	Hays	City Manager	Jun-07	Oct-07 <sup>1</sup>	Oct-08	Oct-10			
8	<b>Keith Schlaegel</b>	<b>Stockton</b>	<b>City Manager</b>	<b>N/A</b>	<b>Oct-11<sup>1</sup></b>	<b>Oct-12</b>	<b>Oct-14</b>	<b>Oct-16</b>	Oct-18	Oct-01
9	Carl Myers	Wellington	City Manager	Jul-97	Oct-97	Oct-99				Sep-04
9	Rhonda Schuetz	Hiawatha	City Clerk	N/A	Oct-01	Oct-03				Oct-11
9	Lana McPherson	De Soto	City Clerk	N/A	Oct-04 <sup>1</sup>	Oct-05	Oct-07	Oct-09		Apr-13
9	Clausie Smith	Bonner Spgs	Mayor	N/A	Oct-11					Aug-14
9	Fred Gress	Parsons	City Manager	Apr-13	Oct-13					
9	<b>Ty Lasher</b>	<b>Bel Aire</b>	<b>City Manager</b>	<b>N/A</b>	<b>Oct-14<sup>1</sup></b>	<b>Oct-15</b>	<b>Oct-17</b>	<b>Oct-19</b>	Oct-21	Apr-99
10	Tim Richards	Newton	Commissioner	Jul-97	Oct-97					Oct-03
10	Willis Heck	Newton	Mayor	May-99	Oct-99	Oct-01				Oct-09
10	Linda Jones	Osage City	City Clerk	N/A	Oct-03	Oct-05	Oct-07			Apr-14
10	Doug Gerber	Goodland	City Manager	Oct-09	Oct-11	Oct-13				Jan-15
10	Megan Fry	Pittsburg	HR Director	Mar-14	Oct-14 <sup>1</sup>					Mar-16
10	Jay Byers	Pittsburg	Assist. City Mgr.	Mar-15	Oct-15					
10	<b>Carey Simons</b>	<b>Pittsburg</b>	<b>Rec Dept</b>	<b>Mar-16</b>	<b>Oct-17</b>	<b>Oct-17</b>	<b>Oct-19</b>		Oct-21	Jan-97
11	Jim Beadle	De Soto	Mayor	Jan-94	?					Oct-03
11	Kelly DeMeritt	Atchison	Assist. City Mgr	May-97	Oct-97	Oct-99	Oct-01			Jan-04
11	Bill Powers	Ulysses	City Administrator	N/A	Oct-03					Oct-09
11	Bud Newberry [2]	Derby	City Planner	Jan-04	Oct-04	Oct-05	Oct-07			Dec-12
11	Mac Manning	Peabody	City Adm/Clerk	Oct-09	Oct-11					Apr-15
11	Michelle Stegman	Garden City	HR Director	Jan-13	Oct-13					
11	<b>Michael Reagel</b>	<b>Garden City</b>	<b>Police Captain</b>	<b>May-15</b>	<b>Oct-15</b>	<b>Oct-17</b>			Oct-19	

<sup>1</sup> One-year term

<sup>2</sup> Appointed to Board while at Elkhart; moved on to Ulysses in June '04; moved on to Derby in Dec '07

<sup>3</sup> First elected to the Board while in Kingman; moved on to Eudora in July '05

<sup>4</sup> First elected to the Board while in Ft. Scott; moved on to Mission in ?

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



# KANSAS MUNICIPAL INSURANCE TRUST

## Board of Trustees Minutes from February 23, 2018

*Approved in Garden City on April 27, 2018*

**Meeting Convened:** Friday, February 23, 2018, at the Bel Aire City Hall, in Bel Aire, KS. The meeting was called to order by KMIT President Randy Frazer at 9:05 A.M.

**Welcome:** Frazer welcomed all, and introductions followed.

**Members Present:** *Board Members Present:* President Frazer (Moundridge), Vice President David Dillner (El Dorado), Treasurer Kerry Rozman (Clay Center), Past President Tim Hardy (Elkhart), Ty Lasher (Bel Aire), Janie Cox (Haysville), Carey Simons (Pittsburg), Greg DuMars (Lindsborg), Keith Schlaegel (Stockton), and Michael Webb (Edwardsville). *Staff:* Barbie Kifer (CORnerstone), Jess Cornejo (CORnerstone), Chris Retter (IMA), Gene Miller (TRISTAR), Jason Schultz (TRISTAR) and Don Osenbaugh (KMIT Pool Administrator). *Guests:* Brian Stewart (ARC Physical Therapy+), Toby Kriewel (ARC Physical Therapy+), Dorothy Riviere (Bardavon Health Innovations) and Taylor Ediger (Bardavon Health Innovations) [All the guests arrived at approximately 10:00 AM.]

**Trustee Absences/Quorum Declaration:** Michael Reagle (Garden City) was absent. A quorum was declared by Frazer.

**Minutes Approval:** The minutes from the Haysville meeting of December 15, 2017 were unanimously approved as written, following a motion by Lasher and a second by Dillner.

### **Financial Reports:**

- a. December 31, 2017 Financials
- b. January 31, 2018 Financials
- c. 'Pre-Audit' Fourth Quarter (12/31) 2017 KID Financial Report
- d. January 31, 2018 Cash/Investments Summary

Motion to approve both of the above reports made by Dillner; second by Rozman. Approved unanimously.

**Reserve Advisory and Settlement Authority:** Miller presented the following claims--

1. Claim #2014069973 (Fredonia)--Recommendation of settlement up to \$75,000, with open medical, was approved unanimously, following a motion by Hardy and a second by Dillner.
2. Claim #17681263 (Larned)--Reserve Increase Advisory only.
3. Claim #17700910 (Haven)--Reserve Increase Advisory only.
4. Claim #17701681 (Arkansas City)--Attempt to settle death claim in the lump sum amount of up to \$200,000 was directed, following a motion by Hardy and second by Webb. 11-0.
5. Claim #18702074 (Wamego)-- Attempt to settle death claim in the lump sum amount of up to \$200,000 was directed, following a motion by Schlaegel and second by Dillner. 11-0.
6. Claim #17695842 (Hoisington)--Reserve Increase Advisory only.

**TRISTAR 2017 Year-In-Review:** Jason Schultz (TRISTAR Regional VP--Denver) gave an overview of the first year of the KMIT/TRISTAR partnership, and presented some observations about claims costs.

**Loss Control Activities:** Retter gave the loss control presentation and introduced several new claims analysis longitudinal reports.

**Ad Hoc Committee:** Dillner reported that the Committee had met, and had no recommendation at this time.

**New Member:** Rozel became a member of KMIT on February 1, 2018.

**Historical Pool Performance Review:** Cornejo gave this annual update.

**POET Overview:** Brian Stewart (ARC Physical Therapy +) gave a presentation of the POET process. Dorothy Riviere (Bardavon) added comments about Bardavon and KMIT progress.

**2018 Marketing Review:** Osenbaugh. Mostly delayed to next meeting, due to time constraints.

**Other Business:** Osenbaugh gave a brief update concerning a number of issues related to the operation of KMIT.

**Adjournment:** Motion to adjourn by Hardy; second by Dillner. Unanimous. Adjourned at 12:19 P.M.

*Don Osenbaugh 4/28/18*

Don Osenbaugh, Pool Administrator (acting as Trustee-Designated Secretary)

**KANSAS MUNICIPAL INSURANCE TRUST**

FINANCIAL STATEMENTS-STATUTORY BASIS  
WITH  
SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2017 AND 2016  
TOGETHER WITH REPORT OF INDEPENDENT AUDITORS

# **KANSAS MUNICIPAL INSURANCE TRUST**

## **FINANCIAL STATEMENTS DECEMBER 31, 2017 AND 2016**

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## Independent Auditor's Report

To the Board of Trustees  
Kansas Municipal Insurance Trust

We have audited the accompanying statutory financial statements of Kansas Municipal Insurance Trust, which comprise the statutory-basis balance sheets as of December 31, 2017 and 2016 and the related statutory-basis statements of revenue, expenses, and changes in fund balance, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions prescribed or permitted by the Kansas Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, these financial statements were prepared by Kansas Municipal Insurance Trust on the basis of the financial reporting provisions prescribed or permitted by the Kansas Insurance Department, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Kansas Insurance Department. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.



### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

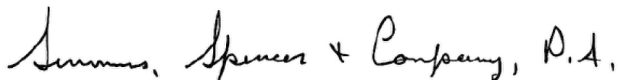
In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Kansas Municipal Insurance Trust as of December 31, 2017 and 2016, or the results of its operations or its cash flows for the years then ended.

### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred in the first paragraph present fairly, in all material respects, the admitted assets, liabilities, and fund balance of Kansas Municipal Insurance Trust as of December 31, 2017 and 2016 and the results of its operations and its cash flows for the years then ended, in accordance with the financial reporting provisions prescribed or permitted by the Kansas Insurance Department as described in Note 1.

### **Other Matter**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of administrative expenses, statements of revenues, expenses and changes in fund balance and statements of revenue, expenses and changes in fund balance cumulative activity by contract period are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Summers, Spencer & Company, P.A.  
Topeka, Kansas

June 8, 2017

# KANSAS MUNICIPAL INSURANCE TRUST

## BALANCE SHEETS – STATUTORY BASIS

December 31,	2017	2016
ASSETS		
Cash and cash equivalents	\$ 1,739,634	\$ 3,115,279
Investments	14,102,355	11,651,205
Interest income accrued	54,467	53,403
Premiums receivable	149,956	70,789
Agent commissions receivable	4,602	1,412
Prepaid insurance	1,045	-
Excess insurance premium receivable	18,907	23,920
Specific receivable	32,351	15,577
<i>Total assets</i>	16,103,317	14,931,585
Less: non - admitted assets	(1,045)	-
<i>Total admitted assets</i>	<u>\$ 16,102,272</u>	<u>\$ 14,931,585</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Reserve for unpaid workers' compensation claims	\$ 8,538,739	\$ 7,091,938
Other expenses due or accrued	47,500	46,500
Taxes, licenses and fees due or accrued	403,764	381,733
Return premiums payable	491,947	399,191
Deposits on premium	688,875	1,037,223
<i>Total liabilities</i>	10,170,825	8,956,585
Fund balance		
Fund balance	<u>5,931,447</u>	<u>5,975,000</u>
<i>Total liabilities and fund balance</i>	<u>\$ 16,102,272</u>	<u>\$ 14,931,585</u>

# KANSAS MUNICIPAL INSURANCE TRUST

## STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN FUND BALANCE – STATUTORY BASIS

For the years ended December 31,	2017	2016
Underwriting income		
Direct premiums earned	\$ 4,984,618	\$ 4,829,526
Less: excess insurance premium	<u>476,604</u>	<u>451,042</u>
Net underwriting income	<u>4,508,014</u>	<u>4,378,484</u>
Deductions		
Workers' compensation claims incurred	3,308,274	3,009,276
Claims adjustment expenses incurred	297,888	227,388
Other administrative expenses incurred	<u>1,164,966</u>	<u>1,003,526</u>
Total underwriting deductions	<u>4,771,128</u>	<u>4,240,190</u>
Net underwriting gain (loss)	(263,114)	138,294
Investment income / Other income		
Interest earned	<u>220,606</u>	<u>160,374</u>
Net income (loss)	(42,508)	298,668
Fund balance, beginning of year	5,975,000	5,676,332
Change in non - admitted assets	<u>(1,045)</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,931,447</u>	<u>\$ 5,975,000</u>

**KANSAS MUNICIPAL INSURANCE TRUST**  
**STATEMENTS OF CASH FLOWS – STATUTORY BASIS**

For the years ended December 31,	2017	2016
Cash flows from operating activities		
Net income (loss)	\$ (42,508)	\$ 298,668
Adjustments to reconcile net income to net cash used in operating activities:		
Amortization of premiums on investments	33,217	53,613
(Increase) decrease in assets:		
Interest income accrued	(1,064)	(11,085)
Premium receivable	(79,167)	39,179
Agent commission receivable	(3,190)	2,668
Prepaid insurance	(1,045)	-
Excess insurance premium receivable	5,013	(1,890)
Specific receivable	(16,774)	18,734
Increase (decrease) in liabilities:		
Reserve for unpaid workers' compensation claims	1,446,801	512,785
Other expenses due or accrued	1,000	500
Taxes, licenses and fees due or accrued	22,031	(137,767)
Return premium payable	92,756	33,644
Deposits on premiums	(348,348)	261,374
<i>Net cash provided by operating activities</i>	1,108,722	1,070,423
Cash flows from investing activities		
Purchase and maturities of investments:		
Purchase of investments	(6,140,703)	(3,781,000)
Sale and maturity of investments	3,656,336	3,911,244
<i>Net cash provided by (used in) investing activities</i>	(2,484,367)	130,244
<i>Net increase (decrease) in cash and cash equivalents</i>	(1,375,645)	1,200,667
Cash and cash equivalents, beginning of year	3,115,279	1,914,612
Cash and cash equivalents, end of year	\$ 1,739,634	\$ 3,115,279
Supplemental disclosure		
Cash paid during the year for:		
Income tax	\$ 0	\$ 0
Interest	\$ 0	\$ 0

The accompanying notes are an integral part of the financial statements.

# KANSAS MUNICIPAL INSURANCE TRUST

## NOTES TO FINANCIAL STATEMENTS

### Note 1 – Description of business and ownership

#### Organization and nature of operations

Kansas Municipal Insurance Trust (“Trust”) is an interlocal governmental agency formed for the purpose of establishing and administering a group funded workers compensation pool (“Pool”) pursuant to the provisions of Kansas state law governing labor and industries. The Trust began operations on January 1, 1994 and provides a comprehensive workers’ compensation insurance program for members of the League of Kansas Municipalities. In addition to insurance coverage, the program provides risk management services with emphasis on loss control, claims administration, and management information services.

Each member of the Pool has jointly and severally agreed to assume, pay, and discharge all applicable liabilities under the Kansas Workers’ Compensation Act, 581, et. seq., and all lawful orders of the Commissioner of Insurance; and each member has agreed to pay any premiums, taxes, and assessments as may be required by the Board of Trustees.

### Note 2 – Summary of accounting policies

#### Basis of accounting

The accompanying financial statements have been prepared in conformity with accounting practices prescribed or permitted by the Kansas Insurance Department and are not in conformity with generally accepted accounting principles followed by other business enterprises. The reporting requirements of regulatory authorities are designed primarily to demonstrate ability to meet claims of policyholders. Pursuant to such statutory practices:

- (1) Investments are comprised of U.S. Government securities, corporate bonds, stocks and deposits with banks and are carried in accordance with the accounting practices as prescribed by Kansas Statutes.
- (2) Premium income is recognized as earnings on a pro-rata basis over the periods covered by the policies. The related acquisition costs, such as commissions, premium taxes and other items, are charged to current operations as incurred.
- (3) Computer software, office furniture and fixtures, and accounts receivable over ninety (90) days past due, or otherwise not considered collectible, if any, are charged-off against the fund balance.
- (4) Subrogation recoverable is not recognized.
- (5) Non-admitted assets such as prepaid expenses and other assets not specifically identified as an Admitted asset within the NAIC’s Accounting Practices and Procedures Manual are excluded from The accompanying balance sheets and are charged directly to members’ equity for statutory purposes.

No determination has been made of the effect of such differences on the accompanying financial statements.

#### Reserves for unpaid workers compensation claims

The reserve for workers’ compensation claims is determined using case basis evaluations and statistical analyses, and represents estimates of the ultimate net cost of all losses and claims incurred through the end of the contract year.



## KANSAS MUNICIPAL INSURANCE TRUST

### NOTES TO FINANCIAL STATEMENTS

#### Excess insurance

The Trust obtained insurance coverage for workers' compensation claims in excess of \$750,000 per occurrence for the period from January 1, 2017 to January 1, 2018 and \$750,000 per occurrence for the period from January 1, 2016 to January 1, 2017. The actual amount recoverable from the excess insurer depends on the ultimate claims settlements.

#### Concentration Risk

The Trust's direct premiums earned consist solely of amounts from members of the Pool. These members are all located within the State of Kansas. The Trust does not require collateral.

Excess insurance losses for applicable years are contractually transferred to an excess carrier. The Trust does not require collateral from its excess carrier.

#### Cash and cash equivalents

The Trust considers all highly liquid investments to be cash equivalents, including deposit accounts and all certificates of deposit.

The Trust has cash in excess of the \$250,000 FDIC insured limit at Commerce Bank. Cash accounts at Commerce Bank exceeded the Federal limit by \$1,239,930 at December 31, 2017. The Trust had a repurchase agreement in place to cover \$1,182,125 of these excess funds.

#### Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates that are subject to change in the near term relate to the estimates for reserves for unpaid workers' compensation claims.

#### Note 3 – Cash allocation

Cash is allocated between administrative and claims funds as follows:

	<u>2017</u>	<u>2016</u>
Cash-administrative	\$ 442,608	\$ 408,878
Cash-claims	<u>1,297,026</u>	<u>2,706,401</u>
Total cash and cash equivalents	<u>\$ 1,739,634</u>	<u>\$ 3,115,279</u>

# KANSAS MUNICIPAL INSURANCE TRUST

## NOTES TO FINANCIAL STATEMENTS

### Note 4 – Investments

Investments consist of debt securities. It is the intent of the Trust to hold investments to maturity. Debt securities are carried at amortized cost which approximates fair value. The Trust follows a policy of amortizing to an early call date, if any, rather than to the maturity date.

At December 31, 2017 and 2016, fair value, gross unrealized losses and amortized cost of investments were as follows:

2017					
	Original Cost	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Investments					
Money Market Securities	\$ 8,808,000	\$ 8,808,000	\$ 1,613	\$ (61,949)	\$ 8,747,664
US Agency	2,407,317	2,404,524	-	(12,063)	2,392,461
Corporate bonds	1,950,525	1,918,071	-	(25,366)	1,892,705
Municipals	987,383	971,760	63	(4,521)	967,302
Total	<u>\$ 14,153,225</u>	<u>\$ 14,102,355</u>	<u>\$ 1,676</u>	<u>\$ (103,899)</u>	<u>\$ 14,000,132</u>
2016					
	Original Cost	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Investments					
Money Market Securities	\$ 6,708,000	\$ 6,708,000	\$ 25,879	\$ (19,969)	\$ 6,713,910
US Agency	2,154,453	2,150,000	722	(4,071)	2,146,651
Corporate bonds	2,227,480	2,104,531	450	(19,666)	2,085,315
Municipals	691,379	688,674	1,344	(1,583)	688,435
Total	<u>\$ 11,781,312</u>	<u>\$ 11,651,205</u>	<u>\$ 28,395</u>	<u>\$ (45,289)</u>	<u>\$ 11,634,311</u>

The following is a summary of maturities of these securities as of December 31, 2017.

Amounts maturing in:	Amortized Cost	Fair Value
Due within one year	\$ 3,480,383	\$ 3,477,912
Due from one to five years	10,356,810	10,257,969
Due from five to ten years	265,162	264,251
	<u>\$ 14,102,355</u>	<u>\$ 14,000,132</u>

### Note 5 – Fair value measurements

FASB ASC 820 establishes a framework for measuring fair value, that framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, it consists of three levels:

Level 1 – Valuation is based upon quoted prices for identical instruments traded in active markets.

Level 2 – Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 – Valuation is generated from model-based techniques that used significant assumptions not observable in the market.

# KANSAS MUNICIPAL INSURANCE TRUST

## NOTES TO FINANCIAL STATEMENTS

The following tables set forth, within the fair value hierarchy, the Trust assets measured at fair value on a recurring basis as of December 31, 2017 and 2016:

<b>2017</b>			
Fair value Measurements at Reporting Date Using:			
Description	Quoted Price in Active Markets for Identical Assets ( Level 1 )	Significant Other Observable Inputs ( Level 2 )	Significant Other Unobservable Inputs ( Level 3 )
Money Market Securities	\$ -	\$ 8,747,664	\$ -
US Agency	2,392,461	-	-
Corporate bonds	-	1,892,705	-
Municipals	-	967,302	-
Total	<u>\$ 2,392,461</u>	<u>\$ 11,607,671</u>	<u>\$ -</u>

<b>2016</b>			
Fair value Measurements at Reporting Date Using:			
Description	Quoted Price in Active Markets for Identical Assets ( Level 1 )	Significant Other Observable Inputs ( Level 2 )	Significant Other Unobservable Inputs ( Level 3 )
Money Market Securities	\$ -	\$ 6,713,910	\$ -
US Agency	2,146,651	-	-
Corporate bonds	-	2,085,314	-
Municipals	-	688,435	-
Total	<u>\$ 2,146,651</u>	<u>\$ 9,487,659</u>	<u>\$ -</u>

### Note 6 – Reserve for unpaid workers’ compensation claims

The reserve for unpaid workers’ compensation claims represents an estimate of the ultimate settlement of losses incurred through December 31. Management engaged an outside actuary to determine the sufficiency of the reserve for losses estimate at December 31, 2017 and 2016. The reserve is estimated based on management’s evaluation of the actuarial study and its own evaluation of reported claims and an estimate for claims incurred but not reported. The accuracy of these estimates cannot be determined prior to the ultimate settlement of each claim. Accordingly, the ultimate cost of settling these claims may vary significantly from the liabilities recorded.

The components of the loss reserve at December 31, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Reported claims	\$ 3,342,258	\$ 2,219,538
Claim adjustment expenses	383,386	243,711
Reserve for incurred but not reported claims	<u>4,813,095</u>	<u>4,628,689</u>
	<u>\$ 8,538,739</u>	<u>\$ 7,091,938</u>

# KANSAS MUNICIPAL INSURANCE TRUST

## NOTES TO FINANCIAL STATEMENTS

Activity in the liability for unpaid claims and claim adjustment expenses is summarized as follows.

	<u>2017</u>	<u>2016</u>
Balance at January 1, gross reserves	\$ 7,421,750	\$ 7,040,097
Less reinsurance recoverables	<u>329,812</u>	<u>460,944</u>
Net balance at beginning of period	<u>7,091,938</u>	<u>6,579,153</u>
Incurred related to:		
Current year	4,256,665	3,496,226
Prior years	<u>(650,503)</u>	<u>(259,562)</u>
Total incurred	<u>3,606,162</u>	<u>3,236,664</u>
Paid related to:		
Current year	906,309	955,161
Prior years	<u>1,253,052</u>	<u>1,768,718</u>
Total paid	<u>2,159,361</u>	<u>2,723,879</u>
Net balance at December 31	8,538,739	7,091,938
Plus reinsurance recoverables	<u>300,339</u>	<u>329,812</u>
Balance at December 31, gross reserves	<u>\$ 8,839,078</u>	<u>\$ 7,421,750</u>

### Note 7 – Taxes, licenses and fees, due and accrued

The Division of Workers' Compensation fee and the Second Injury Fund assessment are based on certain percentages of losses. The percentages are established by the Director of Workers' Compensation and the Kansas Insurance Department, respectively. The percentages applicable to the year ended December 31, 2017 have not been released, so the fees and assessments included in the financial statements have been estimated using the prior year percentages. Since fees and assessments are based on losses, the ultimate amounts payable will depend on the ultimate claim settlements, as well as on the final percentages established. Accordingly, the actual amounts payable may vary significantly from the estimated amounts included in the financial statements.

### Note 8 – Deposits on premiums

Deposits on premium of \$688,875 and \$1,037,223 represent premiums for the 2018 and 2017 contract years collected prior to December 31, 2017 and 2016, respectively.

## **KANSAS MUNICIPAL INSURANCE TRUST**

### **NOTES TO FINANCIAL STATEMENTS**

#### **Note 9 – Related party transactions**

The Trust is sponsored by the League of Kansas Municipalities and employed the League of Kansas Municipalities for endorsement purposes during 2017 and 2016. During the years ended December 31, 2017 and 2016, the Trust incurred expenses of \$70,000 each year for these services.

All fees are based on contract provisions or agreement of the Board of Trustees.

#### **Note 10 – Commitments and Contingencies**

The Trust, in common with other group funded workers compensation pools, is continually engaged in defending insurance claim proceedings as a normal part of the Trust's business.

#### **Note 11 – Subsequent events**

Management has evaluated subsequent events through June 8, 2018, the date on which the financial statements were available to be issued, and determined that there have been no subsequent events that would require recognition in, or disclosure in the notes to, the financial statements.

## SUPPLEMENTAL INFORMATION



**KANSAS MUNICIPAL INSURANCE TRUST**  
**SCHEDULE OF ADMINISTRATIVE EXPENSES**

For the years ended December 31,	2017	2016
Insurance Department fees and taxes	\$ 170,562	\$ 24,920
Risk and claim management fees	570,000	550,000
League of Kansas Municipalities fees	70,000	70,000
Administrator fees	102,240	99,360
Independent agent commissions	104,978	90,158
Risk Analysis	32,250	38,160
NCCI fees	11,595	27,105
Professional services	42,987	48,148
Other expenses	60,354	55,675
	<u>\$ 1,164,966</u>	<u>\$ 1,003,526</u>

**KANSAS MUNICIPAL INSURANCE TRUST**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**STATUTORY BASIS-YEAR ENDED DECEMBER 31, 2016**  
**ACTIVITY BY CONTRACT PERIOD**

For the years ended December 31,	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Underwriting income:													
Direct premiums earned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: excess insurance premium	-	-	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions:													
Workers' compensation claims incurred	-	-	-	(43)	-	-	(4,084)	280	-	-	(11,293)	83,848	(4,405)
Claims adjustment expenses incurred	-	-	-	-	-	-	2,000	1	-	-	(1,339)	17,542	1,613
Other administrative expenses incurred	-	-	-	-	668	1,831	(142)	10	-	-	(389)	3,035	(110)
Total underwriting deductions	-	-	-	(43)	668	1,831	(2,225)	291	-	-	(13,021)	104,425	(2,902)
Net underwriting gain (loss)	-	-	-	43	(668)	(1,831)	2,225	(291)	-	-	13,021	(104,425)	2,902
Investment income / Other income													
Interest earned (net)	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	-	-	-	43	(668)	(1,831)	2,225	(291)	-	-	13,021	(104,425)	2,902
Fund balance, beginning of period	74,487	46,579	495,282	(290,600)	(400,940)	(426,203)	(304,437)	322,871	606,319	687,285	(174,370)	(1,329,213)	297,662
Fund balance, end of period	<u>\$ 74,487</u>	<u>\$ 46,579</u>	<u>\$ 495,282</u>	<u>\$ (290,557)</u>	<u>\$ (401,608)</u>	<u>\$ (428,034)</u>	<u>\$ (302,212)</u>	<u>\$ 322,580</u>	<u>\$ 606,319</u>	<u>\$ 687,285</u>	<u>\$ (161,349)</u>	<u>\$ (1,433,638)</u>	<u>\$ 300,564</u>
Non admitted assets													
Current fund balance after non admitted assets													

**KANSAS MUNICIPAL INSURANCE TRUST**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**STATUTORY BASIS-YEAR ENDED DECEMBER 31, 2016**  
**ACTIVITY BY CONTRACT PERIOD**

For the years ended December 31,	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Underwriting income:												
Direct premiums earned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,984,618	\$ 4,984,618
Less: excess insurance premium	-	-	-	-	-	-	-	-	-	-	476,604	476,604
Net underwriting income	-	-	-	-	-	-	-	-	-	-	4,508,014	4,508,014
Deductions:												
Workers' compensation claims incurred	(22,965)	18,551	(2,389)	54,086	(24,817)	(40,386)	(5,818)	(24,197)	(264,889)	(503,734)	4,060,527	3,308,274
Claims adjustment expenses incurred	(391)	7,948	10,264	1,074	18	5,000	1,996	10,633	23,251	22,142	196,138	297,888
Other administrative expenses incurred	(790)	739	(72)	2,109	(832)	(1,118)	(128)	(234)	(7,895)	(14,583)	1,182,867	1,164,966
Total underwriting deductions	(24,146)	27,238	7,803	57,269	(25,631)	(36,504)	(3,950)	(13,798)	(249,533)	(496,175)	5,439,532	4,771,128
Net underwriting gain (loss)	24,146	(27,238)	(7,803)	(57,269)	25,631	36,504	3,950	13,798	249,533	496,175	(931,518)	(263,114)
Investment income / Other income												
Interest earned (net)	-	-	-	-	-	-	-	-	-	-	220,606	220,606
Net income (loss)	24,146	(27,238)	(7,803)	(57,269)	25,631	36,504	3,950	13,798	249,533	496,175	(710,912)	(42,508)
Fund balance, beginning of period	757,557	572,930	1,695,053	(534,318)	983	891,022	1,411,926	550,494	1,124,199	(99,567)	-	5,975,000
Fund balance, end of period	<u>\$ 781,703</u>	<u>\$ 545,692</u>	<u>\$ 1,687,250</u>	<u>\$ (591,587)</u>	<u>\$ 26,614</u>	<u>\$ 927,526</u>	<u>\$ 1,415,876</u>	<u>\$ 564,292</u>	<u>\$ 1,373,732</u>	<u>\$ 396,608</u>	<u>\$ (710,912)</u>	5,932,492
Non admitted assets												(1,045)
Current fund balance after non admitted assets												<u>\$ 5,931,447</u>

**KANSAS MUNICIPAL INSURANCE TRUST**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**STATUTORY BASIS-CUMULATIVE ACTIVITY BY CONTRACT PERIOD**

For the years ended December 31,	Year Ended 12/31/1994	Year Ended 12/31/1995	Year Ended 12/31/1996	Year Ended 12/31/1997	Year Ended 12/31/1998	Year Ended 12/31/1999	Year Ended 12/31/2000	Year Ended 12/31/2001	Year Ended 12/31/2002	Year Ended 12/31/2003	Year Ended 12/31/2004	Year Ended 12/31/2005	Year Ended 12/31/2006
Underwriting income:													
Direct premiums earned	\$ 1,457,582	\$ 1,850,501	\$ 1,843,047	\$ 1,754,515	\$ 1,377,722	\$ 1,552,113	\$ 1,689,773	\$ 1,965,656	\$ 2,616,642	\$ 3,274,488	\$ 3,256,648	\$ 3,837,793	\$ 4,272,140
Excess insurance premium	<u>151,393</u>	<u>210,142</u>	<u>133,376</u>	<u>117,122</u>	<u>79,456</u>	<u>80,124</u>	<u>86,819</u>	<u>127,168</u>	<u>189,458</u>	<u>366,991</u>	<u>221,435</u>	<u>374,472</u>	<u>384,425</u>
Net underwriting income	<u>1,306,189</u>	<u>1,640,359</u>	<u>1,709,671</u>	<u>1,637,393</u>	<u>1,298,266</u>	<u>1,471,989</u>	<u>1,602,954</u>	<u>1,838,488</u>	<u>2,427,184</u>	<u>2,907,497</u>	<u>3,035,213</u>	<u>3,463,321</u>	<u>3,887,715</u>
Deductions:													
Workers' compensation claims incurred	716,699	1,049,151	790,126	1,451,597	1,244,536	1,393,559	1,458,891	1,097,366	1,211,717	1,474,073	2,364,405	3,911,488	2,722,325
Claims adjustment expenses incurred	25,541	54,345	46,505	91,393	84,096	146,703	125,714	83,209	129,109	149,296	152,184	262,370	192,520
Other administrative expenses incurred	<u>477,137</u>	<u>598,509</u>	<u>492,670</u>	<u>527,664</u>	<u>487,432</u>	<u>456,643</u>	<u>450,174</u>	<u>437,027</u>	<u>533,042</u>	<u>649,335</u>	<u>739,040</u>	<u>818,775</u>	<u>907,292</u>
Total underwriting deductions	<u>1,219,377</u>	<u>1,702,005</u>	<u>1,329,301</u>	<u>2,070,654</u>	<u>1,816,064</u>	<u>1,996,905</u>	<u>2,034,779</u>	<u>1,617,602</u>	<u>1,873,868</u>	<u>2,272,704</u>	<u>3,255,630</u>	<u>4,992,633</u>	<u>3,822,137</u>
Net underwriting gain (loss)	86,812	(61,646)	380,370	(433,261)	(517,798)	(524,916)	(431,825)	220,886	553,316	634,793	(220,417)	(1,529,312)	65,578
Investment income / Other income													
Interest earned (net)	22,675	73,225	114,912	142,705	116,190	96,882	129,613	101,694	50,668	52,492	59,068	95,674	234,986
Other income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss)	109,487	11,579	495,282	(290,557)	(401,608)	(428,034)	(302,212)	322,580	606,319	687,285	(161,349)	(1,433,638)	300,564
Fund balance, beginning of period	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of fund balance	<u>(35,000)</u>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance end of period	<u>\$ 74,487</u>	<u>\$ 46,579</u>	<u>\$ 495,282</u>	<u>\$ (290,557)</u>	<u>\$ (401,608)</u>	<u>\$ (428,034)</u>	<u>\$ (302,212)</u>	<u>\$ 322,580</u>	<u>\$ 606,319</u>	<u>\$ 687,285</u>	<u>\$ (161,349)</u>	<u>\$ (1,433,638)</u>	<u>\$ 300,564</u>
Non admitted assets													
Current fund balance after non admitted assets													

**KANSAS MUNICIPAL INSURANCE TRUST**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**STATUTORY BASIS-CUMULATIVE ACTIVITY BY CONTRACT PERIOD**

For the years ended December 31,	Year Ended 12/31/2007	Year Ended 12/31/2008	Year Ended 12/31/2009	Year Ended 12/31/2010	Year Ended 12/31/2011	Year Ended 12/31/2012	Year Ended 12/31/2013	Year Ended 12/31/2014	Year Ended 12/31/2015	Year Ended 12/31/2016	Year Ended 12/31/2017	Total
Underwriting income:												
Direct premiums earned	\$ 4,950,174	\$ 5,519,169	\$ 5,193,412	\$ 5,213,781	\$ 4,442,326	\$ 4,484,533	\$ 4,853,835	\$ 5,460,345	\$ 5,261,044	\$ 4,829,526	\$ 4,984,618	\$ 85,941,383
Excess insurance premium	<u>420,728</u>	<u>372,790</u>	<u>341,935</u>	<u>351,375</u>	<u>336,966</u>	<u>337,595</u>	<u>395,128</u>	<u>432,750</u>	<u>456,352</u>	<u>451,042</u>	<u>476,604</u>	<u>6,895,646</u>
Net underwriting income	<u>4,529,446</u>	<u>5,146,379</u>	<u>4,851,477</u>	<u>4,862,406</u>	<u>4,105,360</u>	<u>4,146,938</u>	<u>4,458,707</u>	<u>5,027,595</u>	<u>4,804,692</u>	<u>4,378,484</u>	<u>4,508,014</u>	<u>79,045,737</u>
Deductions:												
Workers' compensation claims incurred	2,892,772	3,603,295	2,150,272	4,277,252	3,061,753	2,177,450	1,983,501	3,332,765	2,349,975	2,879,736	4,060,527	53,655,231
Claims adjustment expenses incurred	203,237	250,608	141,659	197,504	151,981	182,671	134,874	162,363	163,260	134,897	196,138	3,462,177
Other administrative expenses incurred	<u>914,758</u>	<u>992,587</u>	<u>953,897</u>	<u>1,032,009</u>	<u>937,938</u>	<u>929,395</u>	<u>996,316</u>	<u>1,075,776</u>	<u>1,046,324</u>	<u>1,127,617</u>	<u>1,182,867</u>	<u>18,764,222</u>
Total underwriting deductions	<u>4,010,767</u>	<u>4,846,490</u>	<u>3,245,828</u>	<u>5,506,764</u>	<u>4,151,672</u>	<u>3,289,516</u>	<u>3,114,691</u>	<u>4,570,904</u>	<u>3,559,559</u>	<u>4,142,250</u>	<u>5,439,532</u>	<u>75,881,631</u>
Net underwriting gain (loss)	518,679	299,889	1,605,649	(644,358)	(46,312)	857,422	1,344,016	456,691	1,245,133	236,234	(931,518)	3,164,106
Investment income / Other income												
Interest earned (net)	263,024	245,802	81,601	52,768	72,925	70,104	71,861	107,601	128,600	160,374	220,606	2,766,050
Other income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,335</u>
Net income (loss)	781,703	545,692	1,687,250	(591,587)	26,614	927,526	1,415,876	564,292	1,373,732	396,608	(710,912)	5,932,492
Fund balance, beginning of period	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance end of period	<u>\$ 781,703</u>	<u>\$ 545,692</u>	<u>\$ 1,687,250</u>	<u>\$ (591,587)</u>	<u>\$ 26,614</u>	<u>\$ 927,526</u>	<u>\$ 1,415,876</u>	<u>\$ 564,292</u>	<u>\$ 1,373,732</u>	<u>\$ 396,608</u>	<u>\$ (710,912)</u>	5,932,492
Non admitted assets												(1,045)
Current fund balance after non admitted assets												<u>\$ 5,931,447</u>

## MILLIMAN CLIENT REPORT

### Kansas Municipal Insurance Trust

Actuarial Analysis of Funding and Unpaid Claim Liabilities

As of December 31, 2017

Prepared for: Mr. Don Osenbaugh  
Pool Administrator

March 6, 2018

Mindy M. Steichen, FCAS, MAAA  
Principal and Consulting Actuary

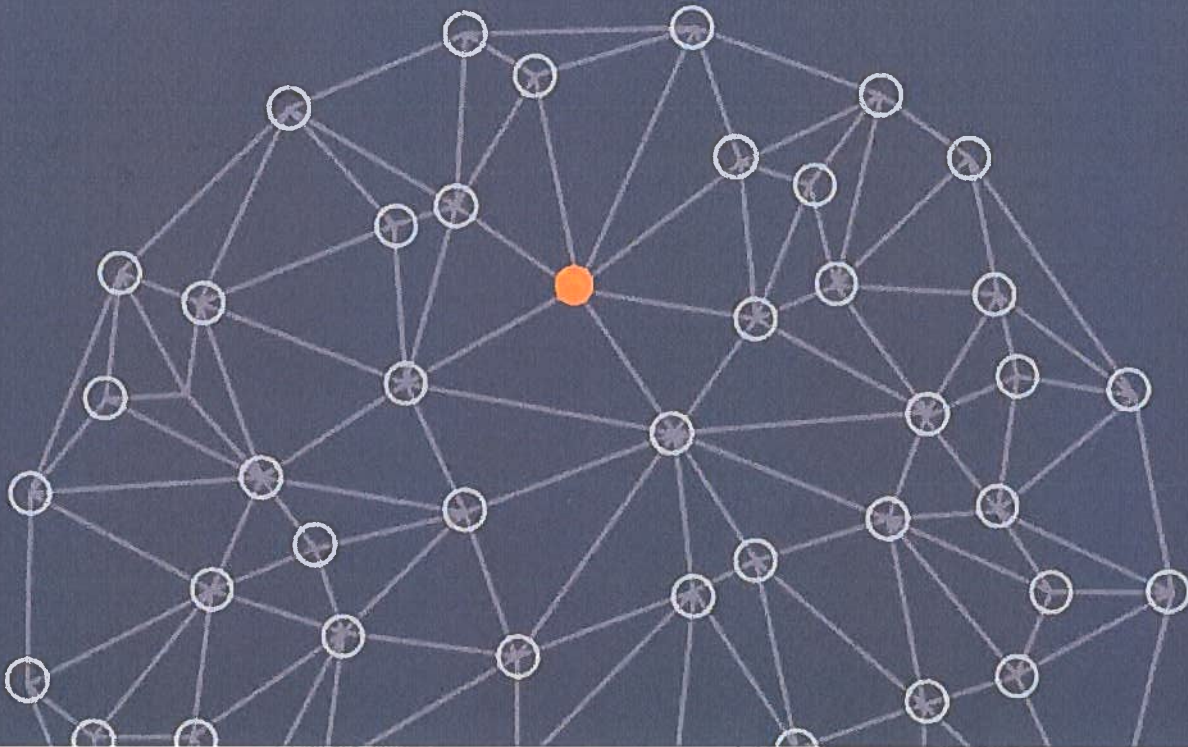


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## Introduction

Milliman, Inc. (Milliman) has been retained by the Kansas Municipal Insurance Trust ("KMIT" or the "Trust") to conduct an actuarial analysis to:

- Estimate the unpaid claim liabilities as of December 31, 2017;
- Provide funding estimates for 2018; and
- Provide the above funding estimates on a discounted basis and at various probability levels.

The purpose of our analysis is to assist the Trust in preparing its financial statements. Our analysis is based on data evaluated as of December 31, 2017 and information provided through the date of this report.

The Trust is an interlocal governmental agency formed for the purpose of establishing and administering a group funded workers' compensation pool pursuant to the provisions of Kansas state law governing labor and industries. The Trust began operations on January 1, 1994 and provides a comprehensive workers' compensation insurance program for participating members of the League of Kansas Municipalities. In addition to insurance coverage, the program provides risk management services with an emphasis on loss control, claims administration and management information services.

KMIT limits its exposure to loss by purchasing both per occurrence and aggregate excess insurance. A summary of KMIT's excess insurance program is provided on Exhibit 1.

Our estimates are provided on an undiscounted and discounted basis with respect to the time value of money. Our estimates are net of insurance recoverables and include defense and cost containment expenses (ALAE), but do not include other claims administration expenses.

It is our understanding KMIT changed TPA administrators and claims systems in 2017. This may cause a change in reserving philosophies and length of time claims remain open. At this time, we do not believe these changes have materially affected our analysis, but will continue to monitor these changes in the future. There have been no other material changes in procedures, methodology or significant assumptions used in deriving our estimates since our last analysis performed as of December 31, 2016.

In this report, we are using the terms "loss" or "unpaid claim liability" to represent the sum of the medical loss, indemnity loss and allocated loss adjustment expense (ALAE) components on each claim, unless otherwise noted. Certain items are not considered, specifically administrative costs and the overhead costs of claims handling (commonly referred to as unallocated loss adjustment expenses or ULAE).

Mindy M. Steichen is a Principal and Consulting Actuary for Milliman. Mindy is a Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries (AAA) and meets the Qualification Standards of the AAA to render the actuarial opinion contained herein.

## Limited Distribution of Results

Milliman's work has been prepared solely for the internal use of KMIT. No portion of Milliman's work may be provided to any other party without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work. Milliman's work may not be filed with the SEC or other securities regulatory bodies. In addition, references to Milliman or its estimates in communication with third parties are not authorized.

Milliman's consent to release its work product to any third party may be conditioned on the third party signing a third party release agreement, subject to the following exceptions:

- (a) KMIT may provide a copy of Milliman's work to its auditor to be used solely for audit purposes. In the event the audit reveals any error or inaccuracy in the data underlying Milliman's work, Milliman requests the auditor or KMIT notify Milliman as soon as possible.
- (b) KMIT may provide a copy of Milliman's work to governmental entities, as required by law.

In the event Milliman consents to release its work product, it must be provided in its entirety. We recommend that any such party have its own actuary or other qualified professional review the work product to ensure that the party understands the assumptions and uncertainties inherent in our estimates. No third party recipient of Milliman's work product should rely upon Milliman's work product.

Any reader of this report agrees that they shall not use Milliman's name, trademarks or service marks, or refer to Milliman directly or indirectly in any third party communication without Milliman's prior written consent for each such use or release, which consent shall be given in Milliman's sole discretion.

## Summary of Results

Our estimates of KMIT's ultimate loss and ALAE are shown by accident year in the table below, along with estimates from our last analysis. In total, our estimates have increased by approximately \$17,000 since our last analysis. Favorable experience in most of the accident years through 2016, was partially offset by adverse development primarily in the 2017 accident year. Accident year 2017 experienced a large claim in December of 2017 which contributed to the adverse development.

### KMIT Net Ultimate Loss & ALAE Limited to Aggregate Retentions

Accident Year	Selected @ 12/31/17	Selected @ 12/31/16	Difference
1994	\$742,241	\$742,241	\$0
1995	1,103,496	1,103,496	0
1996	836,631	836,631	0
1997	1,543,031	1,543,031	0
1998	1,328,630	1,328,630	0
1999	1,540,262	1,540,262	0
2000	1,580,308	1,582,392	(2,084)
2001	1,180,574	1,180,293	281
2002	1,340,826	1,340,826	0
2003	1,623,367	1,623,367	0
2004	2,519,541	2,532,173	(12,632)
2005	4,173,858	4,072,468	101,390
2006	2,914,845	2,917,637	(2,792)
2007	3,096,009	3,119,365	(23,356)
2008	3,853,904	3,827,405	26,499
2009	2,291,932	2,284,057	7,875
2010	4,474,712	4,419,595	55,117
2011	3,213,735	3,238,534	(24,799)
2012	2,360,121	2,395,507	(35,386)
2013	2,118,375	2,122,197	(3,822)
2014	3,496,474	3,510,038	(13,564)
2015	2,513,235	2,754,873	(241,638)
2016	3,014,634	3,496,226	(481,592)
2017	4,256,665	3,589,567	667,098
<b>Total</b>	<b>\$57,117,406</b>	<b>\$57,100,811</b>	<b>\$16,595</b>

Unpaid claim liabilities are derived by subtracting loss and ALAE paid to date from the estimated ultimate loss and ALAE.

The following table displays our estimates of KMIT's net unpaid claim liabilities as of December 31, 2017:

**KMIT Net Unpaid Claim Liabilities  
As of December 31, 2017**

<b>Accident Year</b>	<b>Case Reserves</b>	<b>IBNR*</b>	<b>Total Unpaid</b>
1994	\$0	\$0	\$0
1995	0	0	0
1996	0	0	0
1997	0	0	0
1998	0	0	0
1999	8,534	(8,559)	(25)
2000	12,239	0	12,239
2001	0	0	0
2002	0	0	0
2003	0	0	0
2004	41,613	38,690	80,303
2005	156,282	37,682	193,964
2006	74,972	61,520	136,492
2007	121,638	67,438	189,076
2008	201,855	89,544	291,399
2009	28,494	100,249	128,743
2010	258,682	180,186	438,868
2011	172,720	199,023	371,743
2012	74,978	206,663	281,641
2013	34,606	247,769	282,375
2014	154,780	390,734	545,514
2015	201,490	547,707	749,197
2016	329,605	1,157,253	1,486,858
2017	1,861,717	1,488,639	3,350,356
<b>Total</b>	<b>\$3,734,205</b>	<b>\$4,804,538</b>	<b>\$8,538,743</b>

- \* The 1999 year incurred and paid losses exceed the aggregate retention. Ultimately KMIT should recover losses excess of the aggregate retention from Safety National.

The total unpaid claim liability includes a provision for case reserves, expected development of case reserves, incurred but not reported (IBNR) reserves, allocated loss adjustment expense reserves and excess insurance recoveries. We have not estimated a provision for claims administration expenses. The estimates in the above table are net of KMIT's excess insurance protection, and are shown on an undiscounted (full value) basis. We have not included a provision for KMIT's exposure above its aggregate excess insurance.

The estimates presented above can be characterized as actuarial central estimates and represent an expected value over a range of reasonably possible outcomes. They do not reflect all conceivable extreme events where the contribution of such events to an expected value is not reliably estimable. The estimates are not defined by a precise statistical measure (i.e., mean, median, mode, etc.), but are selected from multiple indications produced by a variety of generally accepted actuarial methods.

Our actuarial central estimate of KMIT's ultimate loss for the January 1, 2018 to December 31, 2018 fund year is \$3.73 million on an undiscounted basis and \$3.54 million discounted at a yield rate of 2.0%. The following table displays our estimated funding amounts at various probability levels:

**KMIT 2018 Fund Year  
Limited to \$750,000 Per Occurrence and  
\$7,726,015 Aggregate Retention**

<b>Probability Level</b>	<b>Undiscounted</b>	<b>Discounted @ 2.0%</b>
95%	\$7,726,015	\$7,331,988
85%	5,858,163	5,559,397
75%	4,701,456	4,461,681
65%	3,955,193	3,753,478
<b>Actuarial Central Estimate</b>	<b>\$3,731,314</b>	<b>\$3,541,017</b>

## General Approach

We used four projection techniques to develop estimates of the ultimate losses. The unpaid claim liability was then derived by subtracting losses paid as of December 31, 2017 from the estimated ultimate losses. The following methods were used to project ultimate losses:

- Incurred loss development projection;
- Paid loss development projection;
- Incurred Bornhuetter-Ferguson projection; and
- Paid Bornhuetter-Ferguson projection.

### ***Loss Development Methods***

Incurred losses are defined as paid losses plus reported reserves on open claims (case reserves). The incurred loss development method derives an estimate of ultimate losses by multiplying the incurred losses by an incurred loss development factor. The loss development factor reflects expected development from late reported claims (IBNR) and reopened claims, as well as from changes in the aggregate value of case reserves as accident years mature. When necessary, we have supplemented KMIT's historical experience with external data sources in selecting development factors (Exhibit 2). Specifically, we referenced insurance industry experience for workers' compensation business in Kansas and countrywide.

The paid loss development method derives an estimate of ultimate losses by multiplying paid losses by a paid loss development factor. Again, we considered Kansas and countrywide workers' compensation experience in our selection of paid loss development factors (Exhibit 4). The paid loss development factors reflect the expected relationship between ultimate losses and paid losses through December 31, 2017.

Exhibits 3 and 5 display the results of the incurred and paid loss development projections.

### ***Bornhuetter-Ferguson Methods***

The Incurred Bornhuetter-Ferguson method derives ultimate losses by adding an estimated IBNR amount to the losses reported to date. The estimated IBNR was based on an initial estimate of the ultimate losses (a priori estimate) and an estimated reporting pattern for incurred losses. The a priori loss estimates for fund years 1994 through 2017 were based on our December 31, 2016 analysis of ultimate losses.

We relied on the development pattern underlying the incurred loss development projection method to select a reporting pattern. Specifically, the estimated percentage unreported is equal to one minus the reciprocal of the cumulative incurred loss development factor. Estimated ultimate losses were then derived by adding the estimated IBNR to the incurred losses as of December 31, 2017.

The Paid B-F method derives ultimate losses by adding an estimated unpaid amount to the paid losses to date. The estimated unpaid loss was calculated by taking one minus the reciprocal of the cumulative paid loss development factor multiplied by the a priori loss estimate.

Exhibits 6 and 7 display the results of the incurred and paid B-F projections.

Based on the projection methods outlined above, we selected the net ultimate loss estimates by accident year, as displayed on Exhibit 8.

***Unpaid Claim Liabilities***

The unpaid claim liability was derived by subtracting the cumulative paid loss and ALAE through December 31, 2017 from the estimated ultimate loss and ALAE. Exhibit 9 displays the calculation of the net unpaid claim liabilities, as well as the net IBNR, which is equal to the total net unpaid claim liabilities less the net case reserves as of December 31, 2017.

The negative IBNR amount in the 1999 fund year is due to the fact that incurred losses exceed the aggregate retention for that year. KMIT expects to fully recover the losses excess of the aggregate retention from its excess insurer. KMIT has made payments and has case reserves in excess of the aggregate retention. IBNR for 1999 reflects aggregate recoveries already received of \$112,699. Additional recoveries are expected.



## Funding Analysis

Exhibit 10 derives our projection of KMIT's ultimate losses for accident year 2018. Our projections were based on KMIT's historical loss experience as well as aggregate Kansas workers' compensation loss experience (adjusted to reflect KMIT's risk profile). Our selected ultimate losses were used to calculate pure premiums (ultimate loss per \$100 payroll) for accident years 2006 through 2017. These pure premiums were adjusted for:

- Changes in the self-insured retention (if applicable);
- Changes in benefit levels (Exhibit 11); and
- Trends in average claim costs (0.0% per year).

The selected 2018 pure premium (row 8) was multiplied by the projected 2018 payroll to estimate the ultimate loss, prior to aggregate excess insurance (row 10).

We have provided funding estimates on both an undiscounted and a discounted basis. Undiscounted values are the nominal estimates of claims to be paid in the future and do not reflect the time value of money. The discounted value reflects the amount of assets which, when combined with investment earnings on these assets assumed to accumulate at a specified yield rate, are estimated to be sufficient to pay all claims. We used a 2.0% yield assumption, as provided by KMIT. The selected payout pattern is shown on Exhibit 12, and the resulting present value factor is displayed on Exhibit 13.

It is not uncommon for self-insured entities to fund at levels which include a margin for adverse loss experience. One way to accomplish this is to fund at a probability level greater than the actuarial central estimate. For purposes of developing estimates at various probability levels, the actuarial central estimates presented in this report (both undiscounted and discounted) represent expected value estimates. As such, when the ultimate cost of the claims is known, there is approximately an equal probability that the actual value will be higher or lower than the estimated value. To estimate liabilities at various probability levels, we relied on an insurance industry based distribution of aggregate workers' compensation losses, adjusted to reflect characteristics of KMIT's loss experience. The resulting unpaid claim liabilities at various probability levels are displayed on Exhibit 14.

We know of no specific requirement that a public entity fund at a given probability level. The funding level is a reflection of the entity's risk tolerance, as well as the availability of funds from other sources in the event the self-insurance fund falls short of the paid amounts. There is always a chance that the balance in the fund will not be sufficient to meet the claims that will be charged against it. While we believe a self-insured entity should recognize the potential risk of assuming its own claim liabilities, there is no simple formula that we know of to decide how much self-insured exposure is prudent. Of course, budget and risk considerations may play a role in the decision.

The range of values displayed in the exhibits (in particular the 95<sup>th</sup> percentile) does not represent the highest or lowest possible values of the discounted loss and ALAE claim liabilities. Potential variation around these values exists, both due to uncertainty with respect to the amount, as well as timing of future payments along with the investment yield.

## Qualifications and Limitations

The actuarial methodology used in this report assumes that case reserves on reported claims are consistently estimated based on current facts known about the claims as of the date of valuation. No independent review of any specific claim files has been performed by Milliman.

In estimating KMIT's unpaid claim liabilities, it is necessary to project future loss and ALAE payments. It is certain that actual future losses and ALAE will not develop exactly as projected and may vary significantly from our projections. Further, our projections make no provision for future emergence of new classes of losses or types of losses (such as cumulative trauma claims), which are not sufficiently represented in KMIT's historical database or which are not yet quantifiable.

In performing this analysis, we have relied on data and other information provided to us by KMIT. We have not audited or verified this data and other information. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete. In that event, the results of our analysis may not be suitable for the intended purpose.

We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

The sensitivity of key variables in this analysis was considered. Key variables include the selected loss development tails, trend factors, and pure premiums. The overall results are potentially sensitive to these key variables, and reasonable alternative selections could change the results in either direction.

KMIT's data was supplemented with insurance industry data where deemed necessary, such as loss development factors where credible data was not available. The use of external data is another source of uncertainty in our estimates.

The emergence of individual large losses (or changes in case reserves on existing open claims) could materially change our results. We cannot predict the timing of large losses, but their possibility increases the uncertainty inherent in our estimates.

Milliman is not expressing an opinion as to the appropriateness of discounting KMIT's unpaid claims liabilities for financial reporting. We have not examined KMIT's current investment portfolio nor its current investment philosophy. In estimating KMIT's discounted loss reserves, we used an annual effective interest rate of 2.0%. The interest rate was provided to us by KMIT and is based on its assessment of its investment returns. KMIT selected the interest rate because KMIT has greater familiarity with the potential investment returns on its assets. The selected interest rate does not conflict significantly with what, in our opinion, would be reasonable for the purpose of this assignment.

Future rates of return are not guaranteed and may exceed or fall below the assumed rate. Also, the actual timing of loss payments is subject to variability. Differences between actual and expected rates of return and timing of payments from those underlying our estimates may have a material effect on the amount of the discount. Further, our projections assume the existence of valid assets underlying the unpaid claim liabilities and that these assets are appropriate to meet the cash flow needs of KMIT. We have not reviewed the held assets.

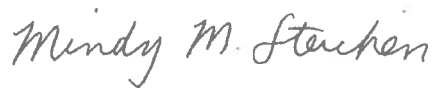
Finally, KMIT insures part of its exposure to limit its liability for losses. Our estimates are presented on a net basis with respect to excess and aggregate insurance recoverables. We have not made any provisions for uncollectible excess or aggregate insurance.

We did not review the actual excess and aggregate insurance contracts of KMIT but relied on summaries of the terms of the contracts provided by KMIT. Our results, net of excess insurance, assume that all excess insurance is valid and collectible. We are not able to assess the potential for uncollectible excess insurance without performing a substantial amount of additional work beyond the scope of our assignment. We have not anticipated any contingent liabilities that could arise if the excess insurers do not meet their obligations to KMIT as reflected in the data and other information provided to us.

## Closing

We appreciate the opportunity to again be of service to the Kansas Municipal Insurance Trust. If you have any questions on our report, please do not hesitate to contact us.

Sincerely,

A handwritten signature in cursive script that reads "Mindy M. Steichen".

Mindy M. Steichen, FCAS, MAAA  
Principal and Consulting Actuary

MMS/bas

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# KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

## Workers' Compensation Summary of Excess Insurance Program

Insurance Period	Per Claim Retention	Aggregate Retention	Excess Insurance Policy Limit
1/01/94-12/31/95 *	\$250,000	\$2,376,391	\$5,000,000
1/01/96-12/31/96	250,000	1,796,589	3,000,000
1/01/97-12/31/97	250,000	1,543,031	3,000,000
1/01/98-12/31/98	250,000	1,472,773	3,000,000
1/01/99-12/31/99	250,000	1,540,262	3,000,000
1/01/00-12/31/00	250,000	1,702,335	3,000,000
1/01/01-12/31/01	250,000	2,045,088	3,000,000
1/01/02-12/31/02	300,000 **	2,720,504	3,000,000
1/01/03-12/31/03	300,000 ***	3,218,926	3,000,000
1/01/04-12/31/04	500,000	4,544,300	3,000,000
1/01/05-12/31/05	500,000	5,602,842	3,000,000
1/01/06-12/31/06	750,000	4,978,483	3,000,000
1/01/07-12/31/07	750,000	4,920,798	3,000,000
1/01/08-12/31/08	750,000	5,448,469	3,000,000
1/01/09-12/31/09	750,000	5,503,943	3,000,000
1/01/10-12/31/10	750,000	5,517,871	3,000,000
1/01/11-12/31/11	750,000	5,397,530	3,000,000
1/01/12-12/31/12	750,000	5,619,072	3,000,000
1/01/13-12/31/13	750,000	6,047,177	3,000,000
1/01/14-12/31/14	750,000	6,550,307	3,000,000
1/01/15-12/31/15	750,000	6,994,827	3,000,000
1/01/16-12/31/16	750,000	6,825,730	3,000,000
1/01/17-12/31/17	750,000	7,890,127	3,000,000
1/01/18-12/31/18	\$750,000	\$7,726,015	\$3,000,000

\* For the 1994 & 1995 years, the aggregate retention of \$2.4M is applicable on a combined basis.

\*\* The Retention for Class Code 7539 is \$350,000 and \$300,000 for all other Class Codes.

\*\*\* The Retention for Class Code 7539 is \$400,000 and \$300,000 for all other Class Codes.

**KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST**  
**Workers' Compensation**  
**Incurred Medical & Indemnity Loss & ALAE Limited to Per Claim Retentions**

Accident Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288
1994	549,504	752,689	775,594	743,060	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241
1995	546,387	1,083,821	1,098,272	1,108,380	1,102,723	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,496	1,103,496	1,103,496	1,103,496	1,103,496	1,103,496
1996	544,209	680,655	739,898	856,552	856,495	836,460	836,493	836,493	836,493	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631
1997	1,315,384	1,548,834	1,787,838	1,749,009	1,747,333	1,775,940	1,807,342	1,807,365	1,808,816	1,808,816	1,808,816	1,801,890	1,826,890	1,826,890	1,826,890	1,833,890	1,896,890	1,896,890	1,896,890	1,896,890	1,895,658	1,895,658	1,895,658	1,895,658
1998	715,614	999,500	1,091,244	1,084,938	1,120,177	1,183,709	1,218,855	1,310,787	1,328,630	1,328,630	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,630	1,328,630	1,328,630	1,328,630
1999	725,540	1,112,731	1,302,534	1,460,666	1,512,637	1,504,443	1,552,010	1,573,510	1,642,112	1,642,112	1,646,612	1,646,612	1,651,612	1,651,612	1,661,521	1,661,520	1,661,520	1,661,520	1,661,520	1,661,520	1,661,520	1,661,520	1,661,520	1,661,520
2000	696,850	1,036,064	1,205,669	1,239,967	1,296,491	1,317,123	1,355,755	1,411,001	1,418,001	1,418,001	1,523,001	1,574,576	1,577,021	1,580,271	1,580,775	1,580,808	1,580,808	1,580,808	1,580,808	1,580,808	1,580,808	1,580,808	1,580,808	1,580,808
2001	815,645	1,128,688	1,199,118	1,191,746	1,192,910	1,193,220	1,198,501	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293
2002	1,054,829	1,477,212	1,365,075	1,343,505	1,343,505	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826
2003	1,282,114	1,607,815	1,593,726	1,591,103	1,598,258	1,598,258	1,623,547	1,628,451	1,635,451	1,635,451	1,635,451	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367
2004	1,293,267	2,063,858	2,133,976	2,318,109	2,344,150	2,340,188	2,305,072	2,301,629	2,324,597	2,429,597	2,429,597	2,438,741	2,437,191	2,487,891	2,480,851	2,480,851	2,480,851	2,480,851	2,480,851	2,480,851	2,480,851	2,480,851	2,480,851	2,480,851
2005	2,233,412	3,244,786	3,358,164	3,440,441	3,599,488	3,603,227	3,761,251	3,841,672	3,893,333	3,896,316	3,946,643	3,996,643	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176	4,136,176
2006	1,652,427	2,506,421	2,521,407	2,622,453	2,621,186	2,702,302	2,741,620	2,829,620	2,829,037	2,829,037	2,829,037	2,830,081	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325	2,853,325
2007	1,674,625	2,331,829	2,439,995	2,589,099	2,764,193	2,795,735	2,870,662	2,960,162	3,028,959	3,039,146	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571	3,028,571
2008	2,436,655	3,008,881	3,206,923	3,312,358	3,392,219	3,475,316	3,480,497	3,612,992	3,691,355	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360	3,764,360
2009	1,394,062	2,103,767	2,053,555	2,131,483	2,223,547	2,190,325	2,175,452	2,176,243	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683	2,191,683
2010	2,362,300	3,183,354	3,678,422	3,624,648	3,813,725	3,960,305	4,129,502	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526	4,294,526
2011	2,198,429	2,404,188	2,475,834	2,812,895	2,853,848	3,013,036	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712	3,014,712
2012	1,359,817	1,686,437	1,766,421	2,045,879	2,162,823	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458	2,153,458
2013	1,503,391	1,723,903	1,826,896	1,830,317	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606	1,870,606
2014	2,563,324	2,844,279	3,010,480	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740	3,105,740
2015	1,729,978	1,909,992	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528	1,965,528
2016	1,785,662	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381	1,857,381
2017	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026	2,768,026
Accident Year	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - Ult
1994	1.370	1.030	0.958	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.984	1.013	1.009	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.251	1.087	1.158	1.000	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.177	1.154	0.978	0.999	1.016	1.018	1.000	1.001	1.000	1.000	0.996	1.014	1.000	1.000	1.004	1.034	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.397	1.092	0.994	1.032	1.057	1.030	1.075	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.534	1.171	1.121	1.036	0.995	1.032	1.014	1.044	1.000	1.003	1.000	1.000	1.003	1.000	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.487	1.164	1.028	1.046	1.016	1.029	1.041	1.005	1.000	1.074	1.034	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.384	1.062	0.994	1.001	1.000	1.004	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.400	0.924	0.984	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.254	0.991	0.998	1.004	1.000	1.016	1.003	1.004	1.000	1.000	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.596	1.034	1.086	1.011	0.998	0.985	0.999	1.010	1.045	1.003	1.000	1.021	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	1.453	1.035	1.025	1.046	1.001	1.044	1.021	1.013	1.001	1.013	1.013	1.035	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006	1.517	1.006	1.040	1.000	1.031	1.015	1.032	1.000	1.000	1.000	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007	1.392	1.046	1.061	1.068	1.011	1.027	1.031	1.023	1.003	0.997	1.000</													

## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

**Workers' Compensation**  
**Net Ultimate Medical & Indemnity Loss & ALAE Indications**  
**Incurred Loss Development Projection**  
**Evaluation as of 12/31/17**

		(1)	(2)	(3)	(4) = [(1)-(2)]x(3)+(2)
Accident Year	Months of Development	Incurred Loss & ALAE @12/31/17	Incurred Large Loss & ALAE Adjustment	Cumulative Incurred LDF*	Indicated Ultimate Loss & ALAE**
1994	288	\$742,241	\$0	1.000	\$742,241
1995	276	1,103,496	0	1.000	1,103,496
1996	264	836,631	0	1.000	836,631
1997	252	1,895,658	0	1.000	1,895,658
1998	240	1,328,630	0	1.000	1,328,630
1999	228	1,661,520	0	1.000	1,661,520
2000	216	1,580,308	0	1.000	1,580,308
2001	204	1,180,574	0	1.000	1,180,574
2002	192	1,340,826	0	1.001	1,342,167
2003	180	1,623,367	0	1.002	1,626,614
2004	168	2,480,851	0	1.014	2,515,583
2005	156	4,136,176	499,925	1.018	4,201,629
2006	144	2,853,325	0	1.023	2,918,951
2007	132	3,028,571	0	1.028	3,113,371
2008	120	3,764,360	0	1.034	3,892,348
2009	108	2,191,683	0	1.041	2,281,542
2010	96	4,294,526	0	1.052	4,517,841
2011	84	3,014,712	0	1.074	3,237,801
2012	72	2,153,458	0	1.090	2,347,269
2013	60	1,870,606	0	1.116	2,087,596
2014	48	3,105,740	750,000	1.158	3,477,947
2015	36	1,965,528	0	1.218	2,394,013
2016	24	1,857,381	0	1.283	2,383,020
2017	12	2,768,026	0	1.673	4,630,907
Total		\$52,778,194	\$1,249,925		\$57,297,657

\* Based on KMIT loss history supplemented with NCCI Statistical Bulletin information.

\*\* The large claims in the 2005 & 2014 accident years were not developed.



## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

Workers' Compensation  
Paid Medical & Indemnity Loss & ALAE Limited to Per Claim Retentions

Accident Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288
1994	337,680	572,772	672,657	722,555	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241	742,241
1995	311,299	770,471	1,000,258	1,025,950	1,102,723	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118	1,103,118
1996	233,827	557,835	701,367	831,383	856,495	836,480	836,493	836,493	836,493	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631	836,631
1997	698,376	1,236,709	1,600,714	1,689,902	1,749,729	1,761,798	1,774,588	1,787,037	1,785,022	1,790,744	1,795,115	1,799,457	1,812,180	1,817,500	1,822,970	1,830,014	1,835,872	1,843,278	1,895,658	1,895,658	1,895,658	1,895,658	1,895,658	1,895,658
1998	382,887	762,358	946,649	1,033,877	1,068,430	1,123,046	1,188,439	1,286,699	1,311,945	1,328,630	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,631	1,328,630	1,328,630	1,328,630	1,328,630	1,328,630	1,328,630
1999	497,057	945,543	1,231,294	1,387,701	1,433,141	1,470,482	1,488,630	1,501,435	1,569,579	1,633,846	1,636,617	1,637,470	1,638,895	1,640,575	1,645,221	1,652,182	1,652,961	1,652,986	1,652,986	1,652,986	1,652,986	1,652,986	1,652,986	1,652,986
2000	405,729	832,626	1,120,010	1,198,918	1,296,491	1,310,649	1,327,913	1,363,971	1,378,649	1,395,111	1,462,558	1,547,462	1,550,510	1,553,759	1,561,239	1,564,092	1,566,962	1,568,069	1,568,069	1,568,069	1,568,069	1,568,069	1,568,069	1,568,069
2001	460,784	967,977	1,064,877	1,191,746	1,192,444	1,193,220	1,194,038	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293	1,180,293
2002	659,579	1,130,950	1,324,566	1,340,467	1,340,825	1,340,825	1,340,825	1,340,825	1,340,825	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826	1,340,826
2003	964,665	1,462,892	1,532,404	1,542,377	1,598,258	1,598,258	1,602,481	1,616,517	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367	1,623,367
2004	788,944	1,561,934	1,953,110	2,101,031	2,248,698	2,279,692	2,294,399	2,297,324	2,307,329	2,380,745	2,393,750	2,410,324	2,428,740	2,439,238	2,439,238	2,439,238	2,439,238	2,439,238	2,439,238	2,439,238	2,439,238	2,439,238	2,439,238	2,439,238
2005	1,229,826	2,570,887	2,944,207	3,152,061	3,367,881	3,469,495	3,621,588	3,735,826	3,762,129	3,839,629	3,860,932	3,883,845	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894	3,979,894
2006	874,076	1,920,917	2,220,653	2,387,480	2,526,291	2,625,597	2,641,385	2,739,343	2,749,626	2,758,786	2,767,351	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353	2,778,353
2007	787,012	1,984,011	2,279,729	2,351,320	2,526,347	2,619,834	2,663,981	2,768,556	2,909,381	2,878,825	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933	2,906,933
2008	1,191,790	2,489,314	2,865,128	3,060,081	3,201,123	3,242,919	3,294,839	3,473,330	3,546,909	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505	3,562,505
2009	730,841	1,582,734	1,831,733	1,948,136	2,099,939	2,143,884	2,154,269	2,159,428	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189	2,163,189
2010	1,125,821	2,295,412	3,059,724	3,408,765	3,596,993	3,707,200	3,991,381	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844	4,035,844
2011	923,653	1,662,070	1,908,433	2,383,873	2,509,948	2,779,600	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992	2,841,992
2012	794,945	1,405,620	1,633,737	1,846,961	2,003,121	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480	2,078,480
2013	678,447	1,493,185	1,658,532	1,756,658	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000	1,836,000
2014	1,390,345	2,546,230	2,802,648	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960	2,950,960
2015	1,003,505	1,659,872	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038	1,764,038
2016	955,161	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776
2017	906,309	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776	1,527,776

Accident Year	12 - 24	24 - 36	36 - 48	48 - 60	60 - 72	72 - 84	84 - 96	96 - 108	108 - 120	120 - 132	132 - 144	144 - 156	156 - 168	168 - 180	180 - 192	192 - 204	204 - 216	216 - 228	228 - 240	240 - 252	252 - 264	264 - 276	276 - 288	288 - Ult
1994	1.696	1.174	1.074	1.027	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	2.475	1.298	1.026	1.075	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	2.386	1.257	1.185	1.030	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.771	1.294	1.056	1.035	1.007	1.007	1.007	0.999	1.003	1.002	1.002	1.007	1.003	1.003	1.004	1.003	1.004	1.028	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.991	1.242	1.092	1.033	1.051	1.058	1.083	1.020	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.902	1.302	1.127	1.033	1.026	1.012	1.009	1.045	1.041	1.002	1.001	1.001	1.001	1.003	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	2.052	1.345	1.070	1.081	1.011	1.013	1.027	1.011	1.012	1.048	1.058	1.002	1.002	1.005	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
2001	2.101	1.100	1.119	1.001	1.001	1.001	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.715	1.171	1.012	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.516	1.048	1.007	1.036	1.000	1.003	1.009	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.985	1.250	1.076	1.070	1.014	1.006	1.001	1.004	1.032	1.005	1.007	1.008	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004
2005	2.090	1.145	1.071	1.068	1.030	1.044	1.032	1.007	1.021	1.006	1.006	1.025	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004
2006	2.198	1.156	1.075	1.058	1.039	1.006	1.037	1.004	1.003	1.003	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004
2007	2.521	1.149	1.031	1.074	1.037	1.017	1.039	1.051	0.989	1.010	1.010	1.010	1.010											

## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

Workers' Compensation  
 Net Ultimate Medical & Indemnity Loss & ALAE Indications  
 Paid Loss Development Projection  
 Evaluation as of 12/31/17

		(1)	(2)	(3)	(4)	(5) = [(1)-(2)]x(4)+(3)
Accident Year	Months of Development	Paid Loss & ALAE @12/31/17	Paid Large Loss & ALAE Adjustment	Incurred Large Loss & ALAE Adjustment	Cumulative Paid LDF*	Indicated Ultimate Loss & ALAE**
1994	288	\$742,241	\$0	\$0	1.010	\$749,663
1995	276	1,103,496	0	0	1.010	1,114,531
1996	264	836,631	0	0	1.010	844,997
1997	252	1,895,658	0	0	1.011	1,916,510
1998	240	1,328,630	0	0	1.012	1,344,574
1999	228	1,652,986	0	0	1.013	1,674,475
2000	216	1,568,069	0	0	1.014	1,590,022
2001	204	1,180,574	0	0	1.015	1,198,283
2002	192	1,340,826	0	0	1.017	1,363,620
2003	180	1,623,367	0	0	1.019	1,654,211
2004	168	2,439,238	0	0	1.036	2,527,051
2005	156	3,979,894	499,925	499,925	1.041	4,122,573
2006	144	2,778,353	0	0	1.046	2,906,157
2007	132	2,906,933	0	0	1.052	3,058,094
2008	120	3,562,505	0	0	1.060	3,776,255
2009	108	2,163,189	0	0	1.070	2,314,612
2010	96	4,035,844	0	0	1.088	4,390,998
2011	84	2,841,992	0	0	1.111	3,157,453
2012	72	2,078,480	0	0	1.145	2,379,860
2013	60	1,836,000	0	0	1.191	2,186,676
2014	48	2,950,960	750,000	750,000	1.265	3,534,214
2015	36	1,764,038	0	0	1.412	2,490,822
2016	24	1,527,776	0	0	1.661	2,537,636
2017	12	906,309	0	0	3.236	2,932,816
Total		\$49,043,989	\$1,249,925	\$1,249,925		\$55,766,103

\* Based on KMIT loss history supplemented with NCCI Statistical Bulletin information.

\*\* The large claims in the 2005 & 2014 accident years were not developed.

## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

**Workers' Compensation**  
**Net Ultimate Medical & Indemnity Loss & ALAE Indications**  
**Incurred Bornhuetter - Ferguson Projection Method**  
**Evaluation as of 12/31/17**

		(1)	(2)	(3)	(4) = [(1)-(2)]x[1-1/(3)]	(5)	(6) = (4) + (5)
Accident Year	Months of Development	A' Priori Ultimate Losses & ALAE*	Large Loss & ALAE Adjustment	Incurred Cumulative LDF	IBNR**	Incurred Loss & ALAE @12/31/17	Indicated Ultimate Loss & ALAE
1994	288	\$742,241	\$0	1.000	\$0	\$742,241	\$742,241
1995	276	1,103,496	0	1.000	0	1,103,496	1,103,496
1996	264	836,631	0	1.000	0	836,631	836,631
1997	252	1,895,658	0	1.000	0	1,895,658	1,895,658
1998	240	1,328,630	0	1.000	0	1,328,630	1,328,630
1999	228	1,661,520	0	1.000	0	1,661,520	1,661,520
2000	216	1,582,392	0	1.000	0	1,580,308	1,580,308
2001	204	1,180,293	0	1.000	0	1,180,574	1,180,574
2002	192	1,340,826	0	1.001	1,339	1,340,826	1,342,165
2003	180	1,623,367	0	1.002	3,240	1,623,367	1,626,607
2004	168	2,532,173	0	1.014	34,961	2,480,851	2,515,812
2005	156	4,072,468	499,925	1.018	63,169	4,136,176	4,199,345
2006	144	2,917,637	0	1.023	65,597	2,853,325	2,918,922
2007	132	3,119,365	0	1.028	84,963	3,028,571	3,113,534
2008	120	3,827,405	0	1.034	125,853	3,764,360	3,890,213
2009	108	2,284,057	0	1.041	89,958	2,191,683	2,281,641
2010	96	4,419,595	0	1.052	218,459	4,294,526	4,512,985
2011	84	3,238,534	0	1.074	223,139	3,014,712	3,237,851
2012	72	2,395,507	0	1.090	197,794	2,153,458	2,351,252
2013	60	2,122,197	0	1.116	220,587	1,870,606	2,091,193
2014	48	3,510,038	750,000	1.158	376,585	3,105,740	3,482,325
2015	36	2,754,873	0	1.218	493,073	1,965,528	2,458,601
2016	24	3,496,226	0	1.283	771,186	1,857,381	2,628,567
2017	12	3,700,585	0	1.673	1,488,639	2,768,026	4,256,665
Total		\$57,685,714	\$1,249,925		\$4,458,542	\$52,778,194	\$57,236,736

\* The A'Priori Ultimate Losses & ALAE are based on Milliman's 12/31/16 analysis.

\*\* No additional IBNR has been included for the large claims in 2005 & 2014.

## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

**Workers' Compensation**  
**Net Ultimate Medical & Indemnity Loss & ALAE Indications**  
**Paid Bornhuetter - Ferguson Projection Method**  
**Evaluation as of 12/31/17**

		(1)	(2)	(3)	(4) =[(1)-(2)]x[1-1/(3)]	(5)	(6) = (4) + (5)
Accident Year	Months of Development	A' Priori Ultimate Losses & ALAE*	Large Loss & ALAE Adjustment	Paid Cumulative LDF	Unpaid**	Paid Loss & ALAE @12/31/17	Indicated Ultimate Loss & ALAE
1994	288	\$742,241	\$0	1.010	\$7,349	\$742,241	\$749,590
1995	276	1,103,496	0	1.010	10,926	1,103,496	1,114,422
1996	264	836,631	0	1.010	8,283	836,631	844,914
1997	252	1,895,658	0	1.011	20,625	1,895,658	1,916,283
1998	240	1,328,630	0	1.012	15,755	1,328,630	1,344,385
1999	228	1,661,520	0	1.013	21,323	1,652,986	1,674,309
2000	216	1,582,392	0	1.014	21,848	1,568,069	1,589,917
2001	204	1,180,293	0	1.015	17,443	1,180,574	1,198,017
2002	192	1,340,826	0	1.017	22,413	1,340,826	1,363,239
2003	180	1,623,367	0	1.019	30,269	1,623,367	1,653,636
2004	168	2,532,173	0	1.036	87,991	2,439,238	2,527,229
2005	156	4,072,468	499,925	1.041	140,705	3,979,894	4,120,599
2006	144	2,917,637	0	1.046	128,309	2,778,353	2,906,662
2007	132	3,119,365	0	1.052	154,189	2,906,933	3,061,122
2008	120	3,827,405	0	1.060	216,646	3,562,505	3,779,151
2009	108	2,284,057	0	1.070	149,424	2,163,189	2,312,613
2010	96	4,419,595	0	1.088	357,467	4,035,844	4,393,311
2011	84	3,238,534	0	1.111	323,562	2,841,992	3,165,554
2012	72	2,395,507	0	1.145	303,361	2,078,480	2,381,841
2013	60	2,122,197	0	1.191	340,336	1,836,000	2,176,336
2014	48	3,510,038	750,000	1.265	578,190	2,950,960	3,529,150
2015	36	2,754,873	0	1.412	803,830	1,764,038	2,567,868
2016	24	3,496,226	0	1.661	1,391,334	1,527,776	2,919,110
2017	12	3,700,585	0	3.236	2,557,017	906,309	3,463,326
Total		\$57,685,714	\$1,249,925		\$7,708,595	\$49,043,989	\$56,752,584

\* The A'Priori Ultimate Losses & ALAE are based on Milliman's 12/31/16 analysis.

\*\* No additional unpaid has been included for the large claims in 2005 & 2014. The incurred amount for these claims has been included.

## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

**Workers' Compensation**  
**Selection of Medical & Indemnity Net Ultimate Loss & ALAE**  
**Evaluation as of 12/31/17**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) =Min [(6), (7)]
	Incurred Loss & ALAE @12/31/17	Ultimate Loss and ALAE Based on:				Selected Ultimate Loss & ALAE*	Aggregate Retention**	Selected Ultimate Loss & ALAE Limited to Aggregate
Accident Year		Incurred Development Method	Paid Development Method	Incurred Born-Ferg Method	Paid Born-Ferg Method			
1994	\$742,241	\$742,241	\$749,663	\$742,241	\$749,590	\$742,241	N/A	\$742,241
1995	1,103,496	1,103,496	1,114,531	1,103,496	1,114,422	1,103,496	N/A	1,103,496
1996	836,631	836,631	844,997	836,631	844,914	836,631	\$1,796,589	836,631
1997	1,895,658	1,895,658	1,916,510	1,895,658	1,916,283	1,895,658	1,543,031	1,543,031
1998	1,328,630	1,328,630	1,344,574	1,328,630	1,344,385	1,328,630	1,472,773	1,328,630
1999	1,661,520	1,661,520	1,674,475	1,661,520	1,674,309	1,661,520	1,540,262	1,540,262
2000	1,580,308	1,580,308	1,590,022	1,580,308	1,589,917	1,580,308	1,702,335	1,580,308
2001	1,180,574	1,180,574	1,198,283	1,180,574	1,198,017	1,180,574	2,045,088	1,180,574
2002	1,340,826	1,342,167	1,363,620	1,342,165	1,363,239	1,340,826	2,720,504	1,340,826
2003	1,623,367	1,626,614	1,654,211	1,626,607	1,653,636	1,623,367	3,218,926	1,623,367
2004	2,480,851	2,515,583	2,527,051	2,515,812	2,527,229	2,519,541	4,544,300	2,519,541
2005	4,136,176	4,201,629	4,122,573	4,199,345	4,120,599	4,173,858	5,602,842	4,173,858
2006	2,853,325	2,918,951	2,906,157	2,918,922	2,906,662	2,914,845	4,978,483	2,914,845
2007	3,028,571	3,113,371	3,058,094	3,113,534	3,061,122	3,096,009	4,920,798	3,096,009
2008	3,764,360	3,892,348	3,776,255	3,890,213	3,779,151	3,853,904	5,448,469	3,853,904
2009	2,191,683	2,281,542	2,314,612	2,281,641	2,312,613	2,291,932	5,503,943	2,291,932
2010	4,294,526	4,517,841	4,390,998	4,512,985	4,393,311	4,474,712	5,517,871	4,474,712
2011	3,014,712	3,237,801	3,157,453	3,237,851	3,165,554	3,213,735	5,397,530	3,213,735
2012	2,153,458	2,347,269	2,379,860	2,351,252	2,381,841	2,360,121	5,619,072	2,360,121
2013	1,870,606	2,087,596	2,186,676	2,091,193	2,176,336	2,118,375	6,047,177	2,118,375
2014	3,105,740	3,477,947	3,534,214	3,482,325	3,529,150	3,496,474	6,550,307	3,496,474
2015	1,965,528	2,394,013	2,490,822	2,458,601	2,567,868	2,513,235	6,994,827	2,513,235
2016	1,857,381	2,383,020	2,537,636	2,628,567	2,919,110	3,014,634	6,825,730	3,014,634
2017	2,768,026	4,630,907	2,932,816	4,256,665	3,463,326	4,256,665	7,890,127	4,256,665
Total	\$52,778,194	\$57,297,657	\$55,766,103	\$57,236,736	\$56,752,584	\$57,591,291		\$57,117,406

\* Gross of Aggregate Excess Coverage; Net of Specific Excess Coverage.

\*\* The Aggregate Retention for 1994 and 1995 is \$2,376,391 on a combined basis.

## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

**Workers' Compensation**  
**Calculation of Medical & Indemnity Net Unpaid Loss & ALAE**  
**Evaluation as of 12/31/17**

Accident Year	(1) Net Ultimate Loss & ALAE*	(2) Net Incurred Loss & ALAE*	(3) Net Paid Loss & ALAE*	(4) = (2) - (3) Net Case Reserves	(5) = (1) - (2) Net IBNR**	(6) = (4) + (5) Total Net Unpaid Loss & ALAE
1994	\$742,241	\$742,241	\$742,241	\$0	\$0	\$0
1995	1,103,496	1,103,496	1,103,496	0	0	0
1996	836,631	836,631	836,631	0	0	0
1997	1,543,031	1,543,031	1,543,031	0	0	0
1998	1,328,630	1,328,630	1,328,630	0	0	0
1999	1,540,262	1,548,821	1,540,287	8,534	(8,559)	(25)
2000	1,580,308	1,580,308	1,568,069	12,239	0	12,239
2001	1,180,574	1,180,574	1,180,574	0	0	0
2002	1,340,826	1,340,826	1,340,826	0	0	0
2003	1,623,367	1,623,367	1,623,367	0	0	0
2004	2,519,541	2,480,851	2,439,238	41,613	38,690	80,303
2005	4,173,858	4,136,176	3,979,894	156,282	37,682	193,964
2006	2,914,845	2,853,325	2,778,353	74,972	61,520	136,492
2007	3,096,009	3,028,571	2,906,933	121,638	67,438	189,076
2008	3,853,904	3,764,360	3,562,505	201,855	89,544	291,399
2009	2,291,932	2,191,683	2,163,189	28,494	100,249	128,743
2010	4,474,712	4,294,526	4,035,844	258,682	180,186	438,868
2011	3,213,735	3,014,712	2,841,992	172,720	199,023	371,743
2012	2,360,121	2,153,458	2,078,480	74,978	206,663	281,641
2013	2,118,375	1,870,606	1,836,000	34,606	247,769	282,375
2014	3,496,474	3,105,740	2,950,960	154,780	390,734	545,514
2015	2,513,235	1,965,528	1,764,038	201,490	547,707	749,197
2016	3,014,634	1,857,381	1,527,776	329,605	1,157,253	1,486,858
2017	4,256,665	2,768,026	906,309	1,861,717	1,488,639	3,350,356
Total	\$57,117,406	\$52,312,868	\$48,578,663	\$3,734,205	\$4,804,538	\$8,538,743

\* Net of Aggregate Excess Coverage; Net of Specific Excess Coverage.

\*\* For the 1999 accident year, the incurred and paid losses exceed the aggregate retention.

Ultimately KMIT should recover losses excess of the aggregate retention from Safety National.

# KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

## Workers' Compensation Projected 2018 Ultimate Loss & ALAE

	(1)	(2)	(3)	(4)	(5)	(6)	(7) (3)x(4)x(5)x(6)
Accident Year	Ultimate Loss & ALAE Gross of Aggregate	Payroll (\$00's)	Pure Premium	Increased Limits Factor to \$750,000*	Benefit Level Adjustment Factor	Trend Factor**	Trended Pure Premium at \$750,000 Retention
2006	\$2,914,845	\$1,399,227	2.08	1.000	1.061	1.00	2.21
2007	3,096,009	1,485,167	2.08	1.000	1.052	1.00	2.19
2008	3,853,904	1,588,854	2.43	1.000	1.028	1.00	2.50
2009	2,291,932	1,593,899	1.44	1.000	1.023	1.00	1.47
2010	4,474,712	1,606,836	2.78	1.000	1.032	1.00	2.87
2011	3,213,735	1,534,033	2.09	1.000	1.026	1.00	2.14
2012	2,360,121	1,596,327	1.48	1.000	1.021	1.00	1.51
2013	2,118,375	1,717,948	1.23	1.000	1.018	1.00	1.25
2014	3,496,474	1,867,135	1.87	1.000	1.004	1.00	1.88
2015	2,513,235	1,894,466	1.33	1.000	1.006	1.00	1.34
2016	3,014,634	1,939,128	1.55	1.000	1.002	1.00	1.55
2017	4,256,665	2,262,105	1.88	1.000	1.000	1.00	1.88
Total	\$37,604,641	\$20,485,127	1.83			Weighted Average	1.88
						Avg L4	1.66
						Avg L2	1.72
						NCCI Kansas	1.31
(8)	2018 Selected Net Pure Premium						1.70
(9)	2018 Projected Payroll (\$00's)						\$2,194,891
(10)=(8)x(9)	Estimated KMIT 2018 Ultimate Losses and ALAE (Prior to Aggregate Excess Insurance)						\$3,731,314
(11)	Aggregate Retention for 2018						\$7,726,015
(12)=Min[(10),(11)]	Estimated KMIT 2018 Ultimate Losses and ALAE (Limited to Aggregate Retention)						\$3,731,314
(13)	Discount Factor at 2.0%						0.949
(14)=(12)x(13)	Present Value of Estimated KMIT 2018 Ultimate Losses and ALAE (Limited to Aggregate Retention)						\$3,541,017

\* Based on Kansas NCCI Filing.

\*\* Trended at 0.0% per year.



## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

**Workers' Compensation**  
**Calculation of the On-Level Benefit Level Factors**  
**For the Pure Premium Method**

Date	Incremental Benefit Level Change*	Cumulative Benefit Level Change	Accident Year	Average Benefit Level	Anticipated Benefit Level Factor to 2018
07/01/93	0.889	0.889	2006	1.005	1.061
07/01/93	1.009	0.897	2007	1.013	1.052
11/01/93	0.981	0.880	2008	1.036	1.028
07/01/94	1.004	0.883	2009	1.042	1.023
07/01/95	1.004	0.887	2010	1.033	1.032
05/01/96	1.024	0.908	2011	1.039	1.026
07/01/96	1.007	0.915	2012	1.043	1.021
07/01/97	1.007	0.921	2013	1.047	1.018
09/01/97	0.985	0.907	2014	1.061	1.004
07/01/98	1.008	0.915	2015	1.059	1.006
07/01/99	1.008	0.922	Estimated 2016	1.063	1.002
10/01/99	1.012	0.933	Estimated 2017	1.066	1.000
07/01/00	1.010	0.942	Estimated 2018	1.066	1.000
07/01/00	1.008	0.950			
07/01/01	1.007	0.956			
12/01/01	1.023	0.978			
07/01/02	1.006	0.984			
07/01/03	1.004	0.988			
12/01/03	0.993	0.981			
07/01/04	1.004	0.985			
07/01/05	1.005	0.990			
12/01/05	1.012	1.002			
07/01/06	1.005	1.007			
07/01/07	1.009	1.016			
12/01/07	1.018	1.034			
07/01/08	1.004	1.039			
07/01/09	1.006	1.045			
01/01/10	0.985	1.029			
07/01/10	1.007	1.036			
01/01/11	1.006	1.042			
05/15/11	0.994	1.036			
01/01/12	1.007	1.043			
07/01/13	1.006	1.050			
01/01/14	1.010	1.060			
07/01/14	1.002	1.062			
01/01/15	0.995	1.057			
07/01/15	1.004	1.061			
07/01/16	1.004	1.066			

\* Source: 2017 NCCI Annual Statistical Bulletin.

**KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST**

**Workers' Compensation  
Selection of Payment Pattern Based on Selected Paid LDFs**

(1)	(2)	(3)	(4) = 1 / (2)	(5) = 1 / (3)	(6)
Month of Development	1994-2003 Selected Cumulative Paid LDF*	2004-2017 Selected Cumulative Paid LDF*	1994-2003 Indicated Payment Pattern	2004-2017 Indicated Payment Pattern	Selected Payment Pattern
288	1.010	1.020	99.0%	98.0%	100.0%
276	1.010	1.020	99.0%	98.0%	100.0%
264	1.010	1.020	99.0%	98.0%	100.0%
252	1.011	1.021	98.9%	97.9%	100.0%
240	1.012	1.022	98.8%	97.8%	100.0%
228	1.013	1.023	98.7%	97.8%	100.0%
216	1.014	1.024	98.6%	97.7%	99.9%
204	1.015	1.026	98.5%	97.5%	99.7%
192	1.017	1.029	98.3%	97.2%	99.5%
180	1.019	1.032	98.1%	96.9%	99.0%
168	1.022	1.036	97.8%	96.5%	98.0%
156	1.026	1.041	97.5%	96.1%	97.0%
144	1.031	1.046	97.0%	95.6%	96.0%
132	1.037	1.052	96.4%	95.1%	95.0%
120	1.045	1.060	95.7%	94.3%	94.0%
108	1.054	1.070	94.9%	93.5%	93.0%
96	1.072	1.088	93.3%	91.9%	92.0%
84	1.095	1.111	91.3%	90.0%	91.0%
72	1.129	1.145	88.6%	87.3%	90.0%
60	1.174	1.191	85.2%	84.0%	85.0%
48	1.247	1.265	80.2%	79.1%	80.0%
36	1.392	1.412	71.8%	70.8%	75.0%
24	1.637	1.661	61.1%	60.2%	60.0%
12	3.189	3.236	31.4%	30.9%	30.0%

\* Loss Development Factors are selected on Exhibit 4.

## KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST

**Workers' Compensation  
Calculation of Discount Factor for 2018**

(1)	(2)	(3)	(4)
Month of Development	Selected Cumulative Payment Pattern*	Incremental Payment Pattern*	Discounted Incremental Payment Pattern**
12	30.0%	30.0%	29.7%
24	60.0%	30.0%	29.1%
36	75.0%	15.0%	14.3%
48	80.0%	5.0%	4.7%
60	85.0%	5.0%	4.6%
72	90.0%	5.0%	4.5%
84	91.0%	1.0%	0.9%
96	92.0%	1.0%	0.9%
108	93.0%	1.0%	0.9%
120	94.0%	1.0%	0.8%
132	95.0%	1.0%	0.8%
144	96.0%	1.0%	0.8%
156	97.0%	1.0%	0.8%
168	98.0%	1.0%	0.8%
180	99.0%	1.0%	0.8%
192	99.5%	0.5%	0.4%
204	99.7%	0.2%	0.1%
216	99.9%	0.2%	0.1%
228	100.0%	0.1%	0.1%
240	100.0%	0.0%	0.0%
252	100.0%	0.0%	0.0%
264	100.0%	0.0%	0.0%
276	100.0%	0.0%	0.0%
288	100.0%	0.0%	0.0%
Total		100.0%	94.9%

\* Columns (2) and (3) represent the projected payment pattern for a fund year at its inception.

\*\* Based on a 2.0% assumed yield as provided by KMIT.

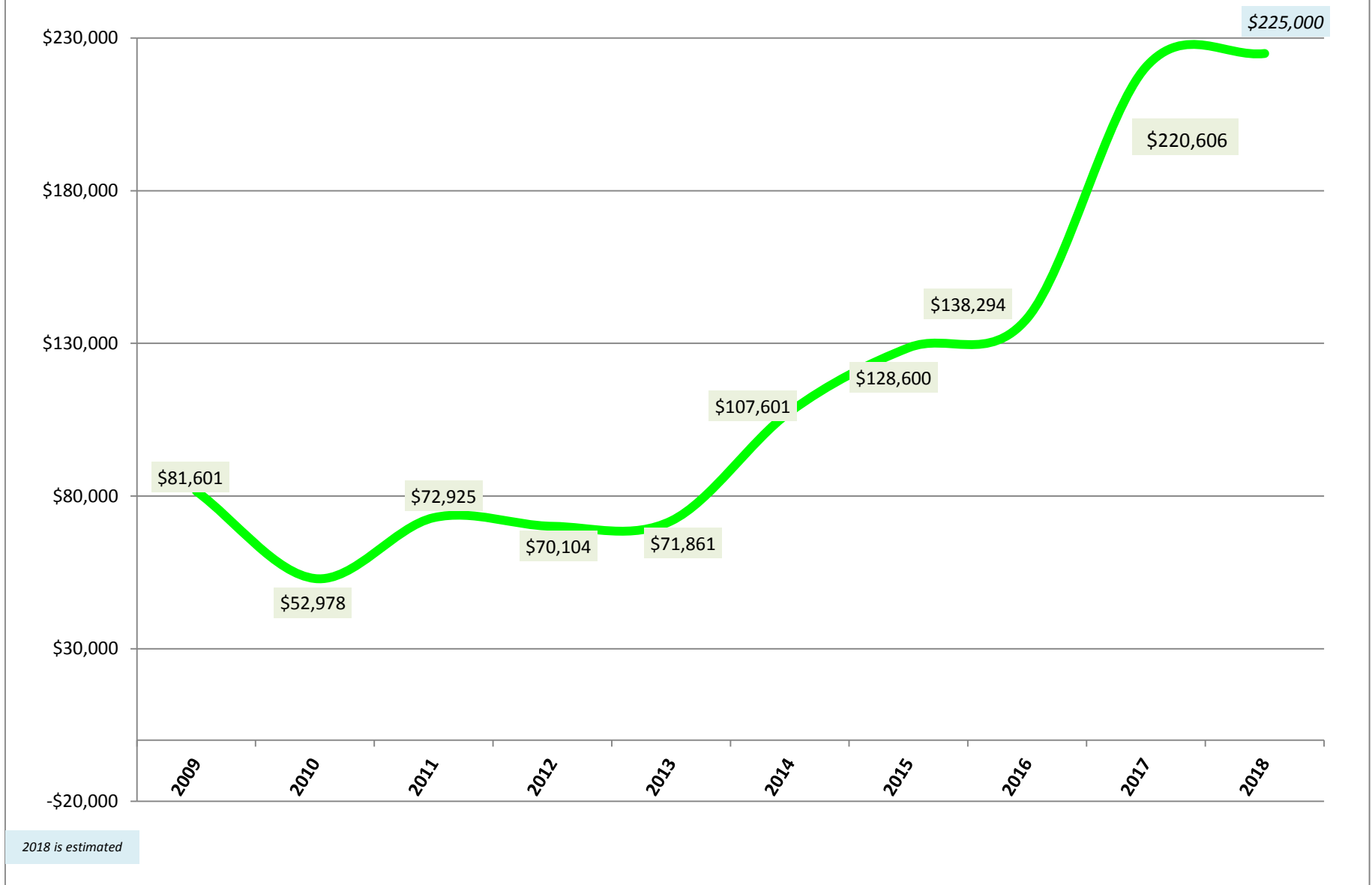
**KANSAS MUNICIPAL WORKERS' COMPENSATION INSURANCE TRUST**

**Workers' Compensation  
Projected 2018 Ultimate Loss & ALAE at Various Probability Levels  
Discounted at 2.0%**

Probability Level	<u>Gross of Aggregate Retention</u>		<u>Limited to Aggregate Retention*</u>	
	<u>Undiscounted</u>	<u>Discounted at 2.0%</u>	<u>Undiscounted</u>	<u>Discounted at 2.0%</u>
95%	8,656,648	8,215,159	7,726,015	7,331,988
85%	5,858,163	5,559,397	5,858,163	5,559,397
75%	4,701,456	4,461,682	4,701,456	4,461,681
65%	3,955,193	3,753,478	3,955,193	3,753,478
Actuarial Central Estimate	3,731,314	3,541,017	3,731,314	3,541,017

\* Limited to an aggregate retention of \$7,726,015.

## KMIT Investment Income 2009-2018



By	Date
Rcd	
App'd	
Post	
Paid	
By	Date

*Sweep* *Lawsuit*

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Phone - 785-424-7646 or 620-727-0003

## INVOICE

(Services 10-4-17 thru 6-12-18)

**Matter:** K-BIG *et al* v. Kansas Insurance Department (claim for Workers Compensation Fund assessment refunds for FY '10, FY '11 & FY '12 paid under protest)

10-4-17	E-mail to KID counsel reminding her of remaining issue of fund group's claim for refund of assessments paid under protest; attached supporting documents.	.25
10-18-17	E-mail to KID counsel requesting conference on issue of claim for refund of assessments paid under protest.	.10
10-26-17	E-mails to/from some fund participants re: questions seeking clarification of fund years in question.	.40
11-16-17	E-mail from KID counsel seeking list of our funds which paid under protest.	.10
11-16-17	E-mailed KID with list of our funds & clarifying years of payments under protest.	.20
11-17-17	E-mail from KID counsel seeking additional info on FY '11 & FY '12 assessments and providing proposed refund amounts for return of 2009 sweep.	.25
11-17-17	E-mailed KID counsel seeking basis upon which proposed refund amounts were calculated & providing info KID requested.	.20

11-20-17	E-mail from KID w/spreadsheet of proposed refunds & explanation of basic for calculation.	.30
11-21-17	E-mailed KID counsel suggesting calculations are in error and based on wrong assessment year.	.20
11-21-17	E-mail fund group reporting on KID refund proposal; outlined my recommendation on appropriate refund; asked for responses re: my authority to continue with representation of group on claims for refunds of assessments paid under protest.	.40
11-27-17	E-mails from/to KID counsel re: language in assessment notices referencing fee sweep(s); requested info from KID as to amounts of total assessments for the years in question.	.40
12-5-17	E-mail from KID counsel with link to their public report on status of WCF.	.10
12-5-17	Rev'd and analyzed KID report on status of Work Comp Fund from a couple of years prior to FY '09 thru FY '16.	1.2
11-21 thru 12-5-17	Rev'd responses from funds confirming authority to proceed with representation.	n/c
12-8-17	Conf. @ KID to discuss refund claim.	1.5
12-14-17	E-mailed KID counsel w/supporting documents for refund claim.	.25
12-22-17	Legal research @ State Library & conf. with Deputy KID Comm. Shultz re: refund claim.	1.2
12-27-17	E-mailed fund group requesting copies of assessment notices for the subject years;	



	advised of meeting with KID and terms of our counteroffer.	.25
12-29-17 thru 1-3-18	Rev'd assessment notices from Fund members and answered e-mails from Fund participants with questions regarding this phase of case.	1.2
1-24-18	Completed final spreadsheet for all funds for assessments years in question.	1.0
1-29-18	Conf. @ KID with KID counsel re: claim for refund of assessments paid under protest.	.75
1-30-18	E-mailed KID counsel w/spreadsheet of funds and assessments for subject years and for which we are claiming refunds.	.20
2-13-18	E-mails to/from KID counsel re: assessment notice language referencing sweep(s) as reason for assessments; copies provided.	.30
2-15-18	Prepared formal demand on KID w/documents.	.75
2-19-18	E-mailed Fund group w/status; provided potential negotiated outcome options; sought feedback re: options.	.30
2-28-18	E-mails to/from KID counsel re: clarification of assessment years.	.20
3-8 thru 3-18-18	Rev'd e-mail responses from participants re: settlement options; answered questions posed.	1.2
3-20-18	Status e-mail to participants and updated them on status of related sweep on KID Service Regulation Fund and status of assessments being collected by KID.	.25

4-5-18	E-mails to/from KID counsel re: status of KID action on claims.	.20
4-18-18	Rev'd e-mailed unsigned copy of KID decision.	.20
4-23-18	E-mailed KID counsel seeking clarification of vague decision letter which appears to reference only the decision on the 2009 sweep settlement apportionment; explained our claim involves 2 issues; made proposal regarding assessments paid under protest issue.	.30
4-23-18	Status e-mail to fund participants w/copy of letter decision, including analysis.	.40
4-24-18	E-mail from KID advising they consider decision final and a "singular" issue vs. 2 issues.	.20
4-30-18	Status e-mail to fund group re: clarification of decision rec'd from KID; recommended filing Petition for Review with Dist. Ct.	.25
5-1-18	E-mailed KID counsel with series of clarifying questions re: letter decision; requested specific assessment amounts per fund to check KID calculations.	.30
5-1-18	Research Ks. Admin. Procedure Act and Ks. Judicial review Act provisions.	1.50
5-1-18	Responded to e-mails from fund participants with questions regarding decision and proposed course of action.	.75
5-1-18	E-mailed fund participants with additional analysis and recommendations.	.30
5-2-18	Rev'd e-mail response from KID counsel to 7 questions posed to KID re: letter decision.	.30

5-2-18	Status e-mail to fund group reporting clarification from KID that decision is based on FY '10 assessments.	.20
5-3-18	E-mailed KID counsel re: how they computed proposed refund since their numbers don't match public report of assessment amounts.	.20
5-3-18	Calculated assessment totals for our funds for years in question and % of assessment totals based on public numbers reported by KID.	.80
5-9-12	Rev'd KID e-mail re: their explanation of example they used in letter decision for basis of refund calculation.	.20
5-10-18	E-mail from KID counsel re: clarification of KID figures used for 3 years of assessment; compared to publically reported figures to confirm they still don't match.	.40
5-8 thru 5-16-18	Rev'd responses from fund group members authorizing filing of Petition for Review.	.50
5-17 thru 5-19	Research and preparation of Petition for Review in Shawnee Co. Dist. Ct.; editing; preparation of civil docket sheet.	12.5
5-21-18	Rev'd notice of e-filing from Court.	.10
5-21-18	E-mails from/to KID counsel re: confirmation of filing of P4R.	.20
5-23-18	Status e-mail to fund group w/copy of P4R.	.25
		<hr/> 33.5 hours

Hourly rate	\$225	Gross fee prior to apportionment	\$7,537.50
		Shawnee Co. Dist. Court filing fee	202.80
			<hr/>
			\$7740.30

KMIT proportional share (9.77%) amount due	\$756.23
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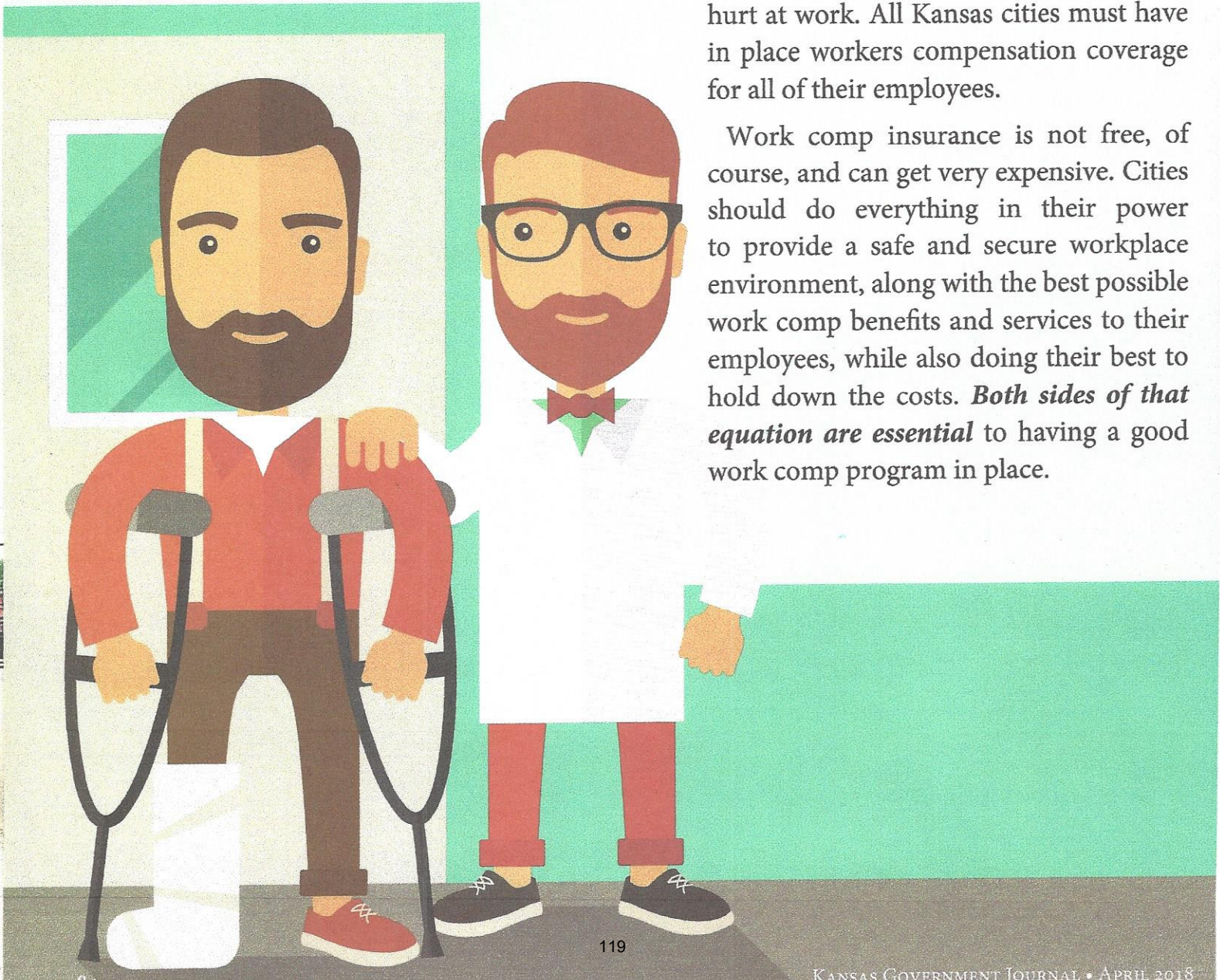


# Major Work Comp Cost Drivers

By Don Osenbaugh, Pool Administrator for KMIT

Work comp is important! Not only are Workers Compensation provisions mandated by law, it is what provides essential benefits for employees who get hurt at work. All Kansas cities must have in place workers compensation coverage for all of their employees.

Work comp insurance is not free, of course, and can get very expensive. Cities should do everything in their power to provide a safe and secure workplace environment, along with the best possible work comp benefits and services to their employees, while also doing their best to hold down the costs. ***Both sides of that equation are essential*** to having a good work comp program in place.





Here are some ways to provide the best personal services to valuable and loyal employees, while also holding costs down:

**Hire The Right People!** The very important, but significantly under-appreciated, first step in the process of providing a good work comp program for the city is to *hire only those prospects who can actually perform the physical requirements for the specific position* for which she/he is being hired. A plain, 'old-fashioned' physical is not a whole lot better than doing nothing, in terms of work comp. Generic 'range of motion,' etc. tests are better, but the best practice is to have a physical test for every single job the city has, and *test for the specific essential functions* of each and every job. Post-Offer Pre-Employment Testing (POET) is the cutting-edge mechanism for hiring the right people.

Cities have traditionally tended to 'hire by resume', and, while it is obviously important to hire 'pre-trained' and/or experienced people, that should not be considered the only requirement for employment with the city. It's a proven statistical truth that the more physically qualified the new employee is, the better the odds are for lower costs of future work comp claims.

**Safety. Safety. Safety.** Cities are dangerous places to work. Make safety the city's number one priority - every time, in every situation.

And, while workplace safety generally has improved dramatically over the last several decades, cities are still dangerous places to work. Lots of things can, and do, happen in cities, and the city must provide a very wide variety of public services to its citizens and visitors, seven-days-a-week, rain/snow/sleet/ice/tornadoes/etc.) or shine. Employees can easily get hurt, and hurt badly.

Employees deserve the safest work environment possible. And, having fewer workplace accidents helps keep the city's work comp costs down, plain and simple. How good is your city's 'Safety Culture?' How about the quality and effectiveness of your city's safety program?

**Report Claims PROMPTLY.** Accidents do happen. City workers do get hurt. Workplace injury events will never go away, even in the safest city.

The quicker the city can get the work injury event reported to the city's Claims Manager (or adjuster), the better. Prompt reporting leads to better care for the employee in many cases, and surely in the most severe cases.

The sooner the Claims Manager can be 'managing' the claim, the better the chance of reducing the costs, and sometimes dramatically reducing the costs. Any delay in reporting a workplace injury is certainly not fair to the injured worker, and a delay can, and often does, lead to increasing the final cost of a claim.


Excellent claims management is essential to a having a good work comp program in cities, and claim management can't start

**Have a 'Return-To-Work' Policy and Enforce It.** Many studies over virtually the entire spectrum of the U.S. work force have proven beyond any doubt that the best post-accident practice for any employer or city in work comp is a 'Return-To-Work Policy.' Make sure the city has in place an official policy to get injured workers back to work absolutely as quickly as the work comp doctor says they are physically able to do so. It doesn't have to be full-time or even in the same job, or department, but get them back to work, *even while they are still in the process of fully recovering to return full-time to their own job.*

Returning an employee to at least some level of work has been shown to greatly enhance both the physical and psychological/emotional healing and well-being of the injured worker. And, it also *saves the city money.*

But, the city's Return-To-Work Policy must be formal to be truly effective; codified in the city's Personnel Manual, or by resolution, etc. A 'policy' that is informal, and not written down, is not really a policy, is it?

A good work comp program is comprised of many moving parts, and contains many more subtle and not-so-subtle best practices. Not nearly all 'tips' are discussed here. Being committed to doing the best job possible in addressing this group of four major work comp cost drivers will go a long way towards improving your city's performance.

 **Don Osenbaugh** is the Pool Administrator for KMIT (Kansas Municipal Insurance Trust), which now numbers 161 City members (about 4,500 employees). Serving Kansas exclusively, KMIT was started in 1994, and was originally a 'subset' of the League. KMIT's members oversee the pool through a Board of Trustees comprised entirely of officials from its member organizations.



# KMIT Member List

## May 1, 2018

	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 <i>est</i>
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

## May 1, 2018

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	<i>est</i>
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>Garden Plain</b>	894	5/1/18	11.0	
58	<b>Girard</b>	2,773	1/1/04	35.0	
59	<b>Glasco</b>	487	4/1/94	3.0	
60	<b>Glen Elder</b>	435	4/1/95	4.0	
61	<b>Goodland</b>	4,554	1/1/94	57.0	
62	<b>Goessel</b>	514	4/1/16	7.5	
63	<b>Grainfield</b>	275	7/9/01	1.0	
64	<b>Grandview Plaza</b>	1,670	4/1/04	10.0	
65	<b>Great Bend</b>	15,840	1/1/02	150.0	
66	<b>Greeley</b>	296	3/9/98	2.0	
67	<b>Grenola</b>	203	4/1/94	1.0	
68	<b>Grinnell</b>	258	8/14/06	1.5	
69	<b>Halstead</b>	2,084	1/1/94	22.0	
70	<b>Hamilton</b>	255	4/1/06	2.5	
71	<b>Harper</b>	1,398	4/1/17	15.0	<i>est</i>

# KMIT Member List

## May 1, 2018

72	<b>Hartford</b>	367	4/1/06	3.0	
73	<b>Haven</b>	1,225	4/1/17	12.0	<i>est</i>
74	<b>Hays</b>	21,044	4/1/13	181.0	
75	<b>Haysville</b>	11,112	4/1/01	76.0	
76	<b>Herington</b>	2,413	4/1/14	37.5	
77	<b>Hiawatha</b>	3,108	6/4/95	26.0	
78	<b>Hill City</b>	1,454	4/1/95	17.0	
79	<b>Hillsboro</b>	2,893	4/1/95	26.0	
80	<b>Hoisington</b>	2,664	1/1/94	40.0	
81	<b>Horton</b>	1,732	4/1/02	25.0	
82	<b>Independence</b>	9,162	3/1/94	144.0	
83	<b>Jetmore</b>	864	4/1/94	6.0	
84	<b>Johnson City</b>	1,413	4/1/94	14.0	
85	<b>Kingman</b>	3,094	4/1/95	37.0	
86	<b>Kinsley</b>	1,451	1/1/94	11.0	
87	<b>La Cygne</b>	1,116	4/1/09	9.0	
88	<b>Lake Quivira</b>	934	12/1/14	10.0	<i>est</i>
89	<b>Larned</b>	4,023	4/1/08	56.0	
90	<b>LKM</b>	NA	4/1/94	15.0	
91	<b>Lecompton</b>	637	4/1/07	2.0	
92	<b>Lenora</b>	240	4/1/97	2.0	
93	<b>Leoti</b>	1,496	4/1/02	8.0	
94	<b>Lincoln Center</b>	1,266	9/3/02	12.0	
95	<b>Lindsborg</b>	3,438	4/1/12	31.0	
96	<b>Logan</b>	569	4/1/13	4.0	
97	<b>Lucas</b>	393	6/1/94	4.0	
98	<b>Madison</b>	661	4/1/17	5.0	<i>est</i>
99	<b>Maize</b>	4,073	6/25/94	19.0	
100	<b>Marion</b>	1,861	4/1/15	32.0	
101	<b>Marysville</b>	3,295	10/1/94	36.0	
102	<b>McFarland</b>	257	4/1/94	1.0	
103	<b>Medicine Lodge</b>	2,021	4/11/95	19.0	
104	<b>Melvern</b>	369	4/1/96	2.0	
105	<b>Minneapolis</b>	2,029	1/1/94	25.0	
106	<b>Moline</b>	344	4/1/94	3.0	
107	<b>Montezuma</b>	979	4/1/94	6.0	

# KMIT Member List

## May 1, 2018

108	<b>Mound City</b>	682	4/1/96	5.0
109	<b>Moundridge</b>	1,726	4/1/12	17.0
110	<b>Neodesha</b>	2,400	4/1/98	49.0
111	<b>Neosho Rapids</b>	262	4/1/06	2.5
112	<b>Newton</b>	19,120	1/1/94	176.0
113	<b>North Newton</b>	1,788	4/1/13	5.0
114	<b>Oakley</b>	2,075	4/1/13	27.5
115	<b>Oberlin</b>	1,749	1/15/94	15.0
116	<b>Ogden</b>	2,138	4/1/01	8.0
117	<b>Olpe</b>	537	4/1/94	2.0
118	<b>Osage City</b>	2,862	4/1/94	35.0
119	<b>Osawatomie</b>	4,357	4/1/08	75.0
120	<b>Oskaloosa</b>	1,086	4/1/94	5.0
121	<b>Oswego</b>	1,781	4/1/95	21.0
122	<b>Palco</b>	282	4/1/04	2.5
123	<b>Paola</b>	5,593	4/1/94	60.0
124	<b>Parsons</b>	10,174	4/1/05	133.0
125	<b>Peabody</b>	1,156	4/1/01	9.0
126	<b>Pittsburg</b>	20,394	1/1/14	250.0
127	<b>Princeton</b>	267	4/1/94	5.5
128	<b>Ramona</b>	181	4/1/06	1.0
129	<b>Ransom</b>	289	1/1/95	2.0
130	<b>Reading</b>	228	4/1/06	2.0
131	<b>Roeland Park</b>	6,840	12/31/00	31.0
132	<b>Rose Hill</b>	3,960	4/1/94	23.0
133	<b>Rozel</b>	152	2/1/18	4.0
134	<b>Russell</b>	4,484	1/1/94	75.0
135	<b>Satanta</b>	1,117	4/1/02	4.0
136	<b>Scranton</b>	693	4/1/12	6.0
137	<b>Sedan</b>	1,065	7/1/94	11.0
138	<b>Sedgwick</b>	1,701	4/1/94	9.0
139	<b>Sharon Springs</b>	756	4/1/06	8.5
140	<b>Smith Center</b>	1,641	4/1/13	21.5
141	<b>Spearville</b>	806	5/8/00	4.0
142	<b>St. Francis</b>	1,312	4/1/05	20.0
143	<b>St. John</b>	1,244	4/1/16	15.5

# KMIT Member List

## May 1, 2018

144	<b>Stafford</b>	1,002	4/1/03	14.0
145	<b>Sterling</b>	2,303	4/1/15	16.5
146	<b>Stockton</b>	1,315	4/1/02	50.0
147	<b>Sylvan Grove</b>	268	4/1/12	2.0
148	<b>Tampa</b>	108	4/1/06	1.0
149	<b>Tescott</b>	318	4/1/95	2.0
150	<b>Tipton</b>	207	7/27/01	2.0
151	<b>Tonganoxie</b>	5,192	4/1/97	28.0
152	<b>Turon</b>	378	9/10/95	2.0
153	<b>Ulysses</b>	6,160	3/31/95	40.0
154	<b>Valley Center</b>	7,057	4/15/94	45.0
155	<b>WaKeeney</b>	1,797	4/1/03	20.0
156	<b>Wakefield</b>	967	1/1/95	3.0
157	<b>Walton</b>	239	4/1/94	2.0
158	<b>Wamego</b>	4,578	1/1/94	40.0
159	<b>Wellington</b>	7,942	4/1/95	123.0
160	<b>Wellsville</b>	1,822	3/31/01	10.0
161	<b>Westwood</b>	1,534	7/1/12	13.0
<b>Total</b>		<b>497,720</b>		<b>4,865</b>
<b>Small</b>		<b>98</b>		<b>1</b>
<b>Large</b>		<b>28,117</b>		<b>306</b>
<b>Median</b>		<b>1,480</b>		<b>12</b>
<b>Avg</b>		<b>3,111</b>		<b>30</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		

# KMIT Member List

## May 1, 2018

8	Andover	12,509
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	Paola	5,593
26	Concordia	5,311
27	Tonganoxie	5,192
28	Basehor	5,119
29	Baldwin City	4,585
30	Wamego	4,578
31	Goodland	4,554
32	Russell	4,484
33	Edwardsville	4,380
34	Osawatomie	4,357
35	Clay Center	4,177
36	Maize	4,073
37	Larned	4,023
38	Rose Hill	3,960
39	Lindsborg	3,438
40	Marysville	3,295
41	Columbus	3,186
42	Hiawatha	3,108
43	Kingman	3,094
44	Ellsworth	3,076
45	Galena	2,966
46	Hillsboro	2,893
47	Osage City	2,862
48	Girard	2,773
49	Hoisington	2,664

# KMIT Member List

## May 1, 2018

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

# KMIT Member List

## May 1, 2018

92	Haven	1,212
93	Peabody	1,156
94	Satanta	1,117
95	La Cygne	1,116
96	Oskaloosa	1,086
97	Sedan	1,065
98	Altamont	1,049
99	Stafford	1,002
100	Blue Rapids	997
101	Andale	981
102	Montezuma	979
103	Wakefield	967
104	Lake Quivira	934
105	Garden Plain	894
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



# KMIT Member List

## May 1, 2018

134	Ransom	289
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	Rozel	152
156	Damar	132
157	Tampa	108
158	Chautauqua	106
159	Cullison	104
160	Esbon	98
<b>Current Board Member</b>		
Past Board Member		