

KSBIT-WC

IN REHABILITATION

Kentucky School Boards Insurance Trust
Workers Compensation Fund
10400 Linn Station Road Suite 211
Louisville, KY 40223
(502) 499-6290
WWW.KSBIT-WC.COM

BREATHITT COUNTY BOARD OF EDUCATION
State Manager Larry Hammond
420 Court St.
P.O. Box 750
Jackson, KY 41339

IMPORTANT NOTICE:

The attached Assessment Package is the Court Ordered
Assessment for the

**Kentucky School Boards Insurance Trust Workers
Compensation Fund ONLY (KSBIT-WC)**

Those members that also received Property and/or Liability
Coverage from the **Kentucky School Boards Insurance
Trust Property and Liability Fund (KSBIT-PL)** will receive a
separate Assessment package.

**Separate payments should be made for each fund in which
the member participated.**

Please note as explained in the cover letter, an additional assessment
totaling approximately \$5,500,000 (KSBIT-WC) is being determined by the
Court. A future additional assessment may be **Ordered by the Court**

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BREATHITT COUNTY BOARD OF EDUCATION
State Manager Larry Hammond
420 Court St.
P.O. Box 750
Jackson, KY 41339

July 15, 2014

Dear KSBIT Workers' Compensation Fund Member:

On June 4, 2014, the Franklin Circuit Court issued an order instructing the Rehabilitator to assess the former members of the Kentucky School Boards Insurance Trust Workers' Compensation Fund. The attached invoice reflects the court-ordered assessment plan. Court orders and other information are available at www.ksbit-wc.com.

The attached invoice includes a breakdown for each year covered under the court-approved assessment, as well as premium and loss summaries. The Kentucky Special Fund assessment has been applied at the rate applicable to each year. The Court has ordered that each members' assessment be calculated pro-rata 60% based on member's earned premium and 40% based on member's excess losses. The invoice consists of three pages. The first page (Remittance) and the second page show the breakdown of the assessment for each year based on both the premiums and the losses and it also shows the total assessment due. The third page shows a breakdown of the premium and excess loss portion for each year of the assessment. PLEASE RETURN THE REMITTANCE COPY WITH YOUR PAYMENT INDICATING THE SELECTED PAYMENT OPTION.

In addition, it is important to note that the assessment amount does not include the \$5.5 million in surplus notes currently in litigation. Once that case is resolved, an additional assessment is possible.

The following payment options are being offered:

- Pay the full amount of the invoice by August 31, 2014;
- Pay 25 percent of the full amount by August 31, 2014 and the remaining balance in equal payments over 2-6 years. With each yearly payment due on August 31st; or
- Finance your assessment through the Kentucky Interlocal School Transportation Association (KISTA) or other source. If you finance your premium, the full amount is due by September 30, 2014.

If you have questions, please contact Joseph N. Pope, or David Hurt, the Deputy Rehabilitators, at 502-499-6290 x114 or x106. Also email JoeP@KSBIT-WC.com or DavidH@KSBIT-WC.com.

Sincerely,



Joseph N. Pope, Jr. CPA, CFE
Deputy Rehabilitator



David Hurt, CPA, CFE
Deputy Rehabilitator

KSBIT-Workers Compensation Fund**Assessment Invoice****REMITTANCE COPY**

Mbr 1023
 BREATHITT COUNTY BOARD OF EDUCATION
 State Manager Larry Hammond
 420 Court St.
 P.O. Box 750
 Jackson, KY 41339

Please make checks payable to:

KSBIT-Workers Compensation Fund
10400 Linn Station Rd, Suite 211
Louisville, KY 40223-3839

Year	Premium Assessment per Summary	Loss Assessment per Summary	Total Assessment (Prem + Loss)	Kentucky Special Fund (KYSFA)	Total Amount Due (Asmt + KYSFA)
1990	1,296	1,590	2,886	488	3,374
1991	2,686	-	2,686	454	3,140
1992	8,408	13,225	21,633	2,527	24,160
1993	8,415	-	8,415	983	9,397
1994	1,389	-	1,389	171	1,560
1995	-	-	-	-	-
1996	4,070	16,918	20,988	1,889	22,877
1997	11,816	17,823	29,639	2,667	32,306
1998	29,813	5,257	35,070	3,156	38,226
1999	22,115	73,968	96,083	8,647	104,730
2000	-	-	-	-	-
2001	-	-	-	-	-
2003	-	-	-	-	-
2004	139	1,141	1,279	147	1,426
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	6,444	-	6,444	419	6,863
2008	11,326	-	11,326	736	12,063
2009	13,623	-	13,623	886	14,509
2010	22,330	-	22,330	1,451	23,782
2011	30,901	21,066	51,967	3,378	55,345
2012	26,292	-	26,292	1,680	27,973
2013	25,978	-	25,978	1,631	27,610
Total	227,041	150,988	378,030	31,311	
Total Amount Due					\$409,341

PAYMENT OPTIONS:☐**\$409,341****Full Payment Enclosed**☐**\$409,341****Plan to Participate in Bond Issue (Full Payment due September 30, 2014)**☐**\$102,335****25% Payment Enclosed****and****\$307,005**

Remaining Balance to be paid in Equal Payments over 2-6yrs beginning August 31, 2015 (choose one)

☐**2 years**☐**3 years**☐**4 years**☐**5 years**☐**6 years**

KSBIT-Workers Compensation Fund**Assessment Invoice****MEMBERS COPY**

BREATHITT COUNTY BOARD OF EDUCATION

Mbr #1023

State Manager Larry Hammond

420 Court St.

P.O. Box 750

Jackson, KY 41339

Year	Premium Assessment per Summary	Loss Assessment per Summary	Total Assessment (Prem + Loss)	Total SFA Tax	Total Amount Due (Asmt + SFA)
1990	1,296	1,590	2,886	488	3,374
1991	2,686	-	2,686	454	3,140
1992	8,408	13,225	21,633	2,527	24,160
1993	8,415	-	8,415	983	9,397
1994	1,389	-	1,389	171	1,560
1995	-	-	-	-	-
1996	4,070	16,918	20,988	1,889	22,877
1997	11,816	17,823	29,639	2,667	32,306
1998	29,813	5,257	35,070	3,156	38,226
1999	22,115	73,968	96,083	8,647	104,730
2000	-	-	-	-	-
2001	-	-	-	-	-
2003	-	-	-	-	-
2004	139	1,141	1,279	147	1,426
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	6,444	-	6,444	419	6,863
2008	11,326	-	11,326	736	12,063
2009	13,623	-	13,623	886	14,509
2010	22,330	-	22,330	1,451	23,782
2011	30,901	21,066	51,967	3,378	55,345
2012	26,292	-	26,292	1,680	27,973
2013	25,978	-	25,978	1,631	27,610
Total	227,041	150,988	378,030	31,311	
Total Amount Due					\$409,341
% of Total Assessment to Members Earned Premium					24.5%

Please make checks payable to:**KSBIT-Workers Compensation Fund****10400 Linn Station Rd, Suite 211****Louisville, KY 40223-3839**

KSBIT-Workers Compensation Fund Assessment Summary

BREATHITT COUNTY BOARD OF EDUCATION

State Manager Larry Hammond

420 Court St.

P.O. Box 750

Jackson, KY 41339

Mbr #1023

Year	Premium Assessment				
	60% Total Assessment All Members (A)	Total Earned Premium All Members (B)	Member Earned Premium (C)	Premium Factor (C/B=PFx)	Premium Assessment Amount (A x Pfx)
1990	272,588	5,332,952	25,349	0.004753	1,296
1991	450,995	6,686,366	39,827	0.005956	2,686
1992	1,307,330	7,766,663	49,949	0.006431	8,408
1993	1,486,656	8,558,452	48,441	0.005660	8,415
1994	257,786	10,978,410	59,168	0.005389	1,389
1995	-	12,585,647	67,120	0.005333	-
1996	731,827	10,986,135	61,101	0.005562	4,070
1997	1,260,127	7,299,359	68,443	0.009377	11,816
1998	1,472,660	4,182,203	84,667	0.020245	29,813
1999	1,039,809	3,565,464	75,831	0.021268	22,115
2000	507,706	3,036,844	-	-	-
2001	765,788	4,979,127	-	-	-
2003	1,569,452	9,987,964	-	-	-
2004	30,636	10,759,866	48,698	0.004526	139
2005	-	10,102,443	49,234	0.004873	-
2006	-	10,200,230	81,661	0.008006	-
2007	327,571	8,371,141	164,676	0.019672	6,444
2008	494,351	7,588,116	173,857	0.022912	11,326
2009	937,552	7,228,044	105,027	0.014530	13,623
2010	1,367,620	6,826,506	111,461	0.016328	22,330
2011	1,979,570	7,455,403	116,378	0.015610	30,901
2012	1,640,911	7,932,610	127,105	0.016023	26,292
2013	1,183,731	8,416,215	184,703	0.021946	25,978
Total	19,084,666	147,937,840*	1,544,681*		227,041

	Loss Assessment				
	40% Total Assessment All Members (D)	Total Excess Loss All Members (E)	Member Excess Loss (F)	Loss Factor (F/E=LFx)	Loss Assessment Due (D x Lfx)
	181,725	3,503,145	30,658	0.008751	1,590
	300,664	4,959,591	-	-	-
	871,554	3,747,411	56,865	0.015175	13,225
	991,104	3,698,789	-	-	-
	171,858	2,160,393	-	-	-
	-	1,749,272	12,945	0.007400	-
	487,885	2,708,089	93,908	0.034677	16,918
	840,084	2,587,558	54,897	0.021216	17,823
	981,773	2,715,753	14,541	0.005354	5,257
	693,206	2,847,734	303,864	0.106704	73,968
	338,470	1,469,021	-	-	-
	510,526	1,382,326	-	-	-
	1,046,301	4,236,657	-	-	-
	20,424	1,235,280	68,992	0.055851	1,141
	-	718,446	-	-	-
	-	743,819	-	-	-
	218,380	1,184,598	-	-	-
	329,568	984,977	-	-	-
	625,034	1,309,429	-	-	-
	911,746	1,152,809	-	-	-
	1,319,714	1,966,128	31,384	0.015963	21,066
	1,093,940	1,658,020	-	-	-
	789,154	2,110,690	-	-	-
Total	12,723,110	47,618,400*	655,109*		150,988

*Total for assessed years only.