

**KLC INSURANCE SERVICES LIABILITY
PROGRAM APPROVED FY12 BUDGET**

| | Approved Budget FY 11/12 |
|--|--------------------------------|
| REVENUE | |
| 1 Earned Premium | 17,218,837 |
| 2 Less Excess Insurance Premiums | (1,291,420) |
| 3 Investment Income/Net of Expenses | 1,260,000 |
| 4 Other Income | 0 |
| 5 TOTAL REVENUE | 17,187,417 |
| EXPENSES - LOSSES AND LEGAL DEFENSE | |
| 6 Paid Claims | 0 |
| 7 Outstanding Case Reserves | 0 |
| 8 IBNR Reserves | 0 |
| 9 TOTAL PROVISION FOR ULTIMATE LOSSES | 10,751,006 |
| | 67.50% |
| EXPENSES - ADMINISTRATIVE & CONTRACTED | |
| 10 Line of Credit Fees/ Legal Expenses | 0 |
| 11 Claims Audit | 0 |
| 12 Claims Administration | 876,154 |
| 13 Program Administration Fees | 2,681,417 |
| 14 KLCIS Operating Expenses | 78,000 |
| 15 Travel | 41,248 |
| 16 Actuarial Services | 55,000 |
| 17 Auditing Services(Financial/Payroll/Regulatory) | 36,223 |
| 18 Consulting (Investments/Computer/Other) | 179,100 |
| 19 Agency Commissions - KLCIA | 545,656 |
| 20 Local Agents Commission | 1,162,662 |
| 21 Safety Equipment Grant Program | 125,000 |
| 22 Underwriting System Maintenance & Depreciation | 34,000 |
| 23 Bad Debt Expense | 0 |
| 24 Other Miscellaneous Expenses | 5,000 |
| 25 TOTAL ADMINISTRATIVE & CONTRACTED | 5,819,460 |
| 26 TOTAL EXPENSES | 16,570,466 |
| 27 <i>Gain (Loss) of Revenue over Expenses</i> | <i>616,951</i> |
| 28 Underwriting Gain (Loss) | (643,049) |
| 29 Unrealized Gain (Loss) on Investments | 0 |
| 30 Realized Gain (Loss) on Investments | 0 |
| 31 Investment Income (Loss) Net of Expenses | 1,260,000 |
| 32 Total Gain (Loss) from Operations | 616,951 |
| 33 Fund Balance Forward From Prior Year | 5,280,465 |
| 34 Other Adjustments To Fund Balance | |
| 35 ENDING FUND BALANCE/SURPLUS (DEFICIT) | 5,897,416 |