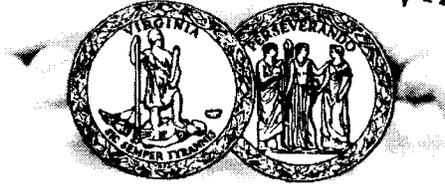


EXAMINATION REPORT
of
UNITED CONTRACTORS OF VIRGINIA
GROUP SELF-INSURANCE ASSOCIATION
RICHMOND, VIRGINIA
as of
DECEMBER 31, 2013

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

COMMONWEALTH OF VIRGINIA

JACQUELINE K. CUNNINGHAM
COMMISSIONER OF INSURANCE
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE



P.O. BOX 1157
RICHMOND, VIRGINIA 23218
TELEPHONE: (804) 371-9741
TDD/VOICE: (804) 371-9206
<http://www.scc.virginia.gov/division/boi>

I, Jacqueline K. Cunningham, Commissioner of Insurance of the Commonwealth of Virginia, do hereby certify that the annexed copy of the Examination Report of United Contractors of Virginia Group Self-Insurance Association as of December 31, 2013, is a true copy of the original report on file with this Bureau.

IN WITNESS WHEREOF, I have hereunto set my hand
and affixed to the original the seal of the Bureau at the City
of Richmond, Virginia this 10th day of February, 2015

Jacqueline K. Cunningham
Commissioner of Insurance

(SEAL)

TABLE OF CONTENTS

DESCRIPTION.....1

HISTORY1

MANAGEMENT AND CONTROL2

TERRITORY AND PLAN OF OPERATION3

ADMINISTRATIVE AGREEMENT.....3

CLAIMS CONSULTING SERVICE AGREEMENT.....4

CLAIMS SERVICE AGREEMENT4

DIVIDENDS TO MEMBERS5

FIDELITY BOND COVERAGE.....5

SPECIAL RESERVES AND DEPOSITS5

EXCESS INSURANCE COVERAGE6

SCOPE7

FINANCIAL STATEMENTS8

RECOMMENDATIONS FOR CORRECTIVE ACTION.....15

SUBSEQUENT EVENT.....17

CONCLUSION.....18

Richmond, Virginia
November 25, 2014

Honorable Jacqueline K. Cunningham
Commissioner of Insurance
Richmond, Virginia

Dear Madam:

Pursuant to your instructions and by authority of Section 38.2-1317 of the Code of Virginia, an examination of the records and affairs of

**UNITED CONTRACTORS OF VIRGINIA
GROUP SELF-INSURANCE ASSOCIATION**

Richmond, Virginia

hereinafter referred to as the Association, has been completed. The report is hereby submitted for your consideration.

DESCRIPTION

The Association is a group self-insurance association licensed to provide workers' compensation coverage and employers' liability coverage to its members pursuant to Section 65.2-802 of the Code of Virginia and 14 VAC 5-370-10 et seq. (Rules Governing Group Self-Insurers of Liability Under the Virginia Workers' Compensation Act) promulgated by the State Corporation Commission (the "Commission").

The Association was last examined by representatives of the Commission's Bureau of Insurance ("the Bureau") as of December 31, 2010. This examination covers the period from the January 1, 2011 through December 31, 2013.

HISTORY

The Association was licensed by the Bureau effective August 1, 1981. On July 1, 1990, the Bureau revised the Association's license to authorize employers' liability coverage. According to its indemnity agreement, the Association was formed to allow members to self-insure and to pool their separate liabilities arising pursuant to the terms of the Virginia Workers' Compensation Act and for certain other types of employers' liabilities.

MANAGEMENT AND CONTROL

Control of the Association is vested in a Members' Supervisory Board (the "Board") elected by the members of the Association. The by-laws provide for no less than three nor more than nine board members, three-fourths of whom shall be members in good standing of the Association. Board members serve until their successors are elected.

The Board and officers were as follows at December 31, 2013:

<u>Representative</u>	<u>Member</u>
David W. Brooks	Brooks & Co. General Contractors, Inc. Richmond, Virginia
Roderick V. Davoud	Old Dominion Insulation, Inc. Midlothian, Virginia
David R. "Chip" Dustin, Jr.	Thalhimer, Inc. Richmond, Virginia
F. Thomas Evans	Southwood Builders, Inc. Ashland, Virginia
Dudley H. Marks	Consumers/Dornin-Adams, Inc. Lynchburg, Virginia
Stuart K. Morgan, Sr.	Century Construction Co. Richmond, Virginia
Paul V. Tarsorich	Slurry Pavers, Inc. Glen Allen, Virginia

Officers

F. Thomas Evans	Chairman
Stuart K. Morgan, Sr.	Vice Chairman
David R. "Chip" Dustin, Jr.	Secretary
David W. Brooks	Treasurer

TERRITORY AND PLAN OF OPERATION

The operation of the Association is confined to Virginia where it is licensed to transact the business of workers' compensation and employers' liability group self-insurance. Membership in the Association is available to employers engaged in a similar type of business, upon the approval of the Board and the Commission.

All members are required to enter into an indemnity agreement in which each member jointly and severally agrees to assume and discharge members' employers' liabilities and any members' liabilities under the Virginia Workers' Compensation Act. No formal insurance policy is issued to the members.

An administrator is responsible for assisting the board in managing the affairs of the Association. Claims are processed and paid by a service agent under a contractual agreement with the Association. The Association's operations are conducted on a calendar year basis.

ADMINISTRATIVE AGREEMENT

Effective January 1, 1996, the Association entered into an administrative agreement with Self Insurance Services, LLC, ("SIS"). The original term of this agreement was for a period of eight months and the agreement continued thereafter subject to termination by either party by 90 days advance written notice.

According to the agreement, SIS shall administer the financial affairs of the Association as established and adopted by the Board, maintain necessary records of accounts, advise the Board on policy matters, contract for claims handling and with advisors and consultants, pay all items of expense to the extent funds are available, direct the solicitation and enrollment of new members, file necessary reports, and conduct other managerial duties.

As compensation for its services, SIS shall receive 7½% of all members' contributions calculated under the provisions of 14 VAC 5-370-110, without reduction as a result of premium discounts, experience ratings, deviations, or other adjustments. In addition, SIS retains 100% of the commission received for placement of excess insurance coverage. The Association incurred \$523,265 in fees relating to this agreement in calendar year 2013.

CLAIMS CONSULTING SERVICE AGREEMENT

Effective January 1, 1994, the Association entered into a claims consulting service agreement with SIS. The agreement is subject to termination by either party upon 60 days advance written notice. According to the agreement, SIS shall provide claims consulting services including the review of monthly loss reports, approval of all medical and compensation payments over \$2,000, monthly review of all open claim files, evaluation of members' claim experience and assistance to the service agent in settlement of claims.

As compensation, the Association shall pay SIS $\frac{1}{2}$ of 1% of all members' contributions calculated under the provisions of 14 VAC 5-370-110, without reduction as a result of premium discounts, experience ratings, deviations, or other adjustments. The Association incurred \$34,884 in fees relating to this agreement in calendar year 2013.

CLAIMS SERVICE AGREEMENT

Effective January 1, 1998, the Association entered into a claims service agreement with Trigon Administrators Inc., currently known as Sedgwick CMS ("Sedgwick"). The original term of this agreement was for a period of 12 months and the agreement continued thereafter, subject to termination by either party by written notice 60 days in advance of the effective date of termination.

Under the terms of the agreement, the services provided by Sedgwick include: full claims handling and adjusting for all claims incurred during the period of the agreement until their conclusion, unless otherwise transferred; claims counseling; loss control consulting; furnishing monthly reports; preparation for all scheduled hearings before regulatory bodies and other claims-related duties.

As compensation for its services, Sedgwick shall receive an amount equal to 5.6% of all members' contributions calculated under the provisions of 14 VAC 5-370-110, without reduction as a result of premium discounts, experience ratings, deviations, or other adjustments. Additionally, Sedgwick will be compensated 25% of the savings generated by inpatient bills, the inpatient utilization review process and any reductions from the application of any fee schedules and negotiations generated from the cost containment program. The Association incurred \$390,705 in fees relating to this agreement in calendar year 2013.

DIVIDENDS TO MEMBERS

Any surplus assets accumulated within a plan year may be declared refundable by the Board. Payment of this surplus in the form of dividends, however, may not be made until the Association has received approval from the Bureau. During the examination period, the Bureau approved the following dividends:

Approval Dates

<u>Fiscal Year</u>	<u>October 31, 2011</u>	<u>October 31, 2012</u>	<u>October 30, 2013</u>
1992		\$ 25,000	
1995			\$ 158,450
1996			25,000
1998		61,291	
2000			20,000
2001		25,000	20,000
2003	\$ 50,000	100,000	100,000
2004	100,000	100,000	100,000
2006	50,000	200,000	100,000
2007	200,000	300,000	300,000
2008	400,000	200,000	100,000
2009	600,000	300,000	100,000
2010	<u>600,000</u>	<u>200,000</u>	<u>200,000</u>
Totals	<u>\$ 2,000,000</u>	<u>\$ 1,511,291</u>	<u>\$ 1,223,450</u>

FIDELITY BOND COVERAGE

At December 31, 2013, the Association was listed as a named insured on a fidelity bond with a \$250,000 limit of liability, subject to a \$2,500 deductible, to insure against losses arising from dishonest acts of its administrator and employees.

SPECIAL RESERVES AND DEPOSITS

At December 31, 2013, the Association had a United States Treasury Note with a par value of \$260,000 on deposit with the Treasurer of Virginia as required by 14 VAC 5-370-60 A.

EXCESS INSURANCE COVERAGE

The Association had both specific excess and aggregate excess insurance agreements in force at December 31, 2013, with the following limits:

	<u>Association's Retention</u>	<u>Excess Insurer's Limits</u>
Specific Excess	\$1,000,000 for each accident and each employee for disease	Workers' Compensation Statutory Employers' Liability \$1,000,000
Aggregate Excess	119.0 % of normal premium subject to a minimum retention of \$5,984,976	\$5,000,000

SCOPE

This is a full scope financial condition examination initiated and conducted under the provisions of Article 4, Chapter 13 of Title 38.2 of the Code of Virginia. The examination covers the period from January 1, 2011 through December 31, 2013. Assets were verified and liabilities were established at December 31, 2013. A review of income and disbursements for the period was made to the extent deemed necessary.

The items comprising the Balance Sheet had a medium or low risk assessment as determined from the principles of the risk-based examination approach contained in the NAIC Financial Condition Examiners Handbook. Analytical review procedures were applied to non-material items.

In addition, the following matters were reviewed, several of which are discussed separately under their respective captions in this report.

History
Management and Control
Territory and Plan of Operation
Administrative Agreement
Claims Consulting Service Agreement
Claims Service Agreement
Dividends to Members
Fidelity Bond Coverage
Special Reserves and Deposits
Excess Insurance Coverage
Financial Statements

FINANCIAL STATEMENTS

There follows a statement reflecting the financial condition of the Association at December 31, 2013, a statement of income for the year ended December 31, 2013, a reconciliation of members' equity for the period under review, a statement of members' account by fiscal year inception to date and a statement of Examiners' changes in members' equity.

BALANCE SHEET
DECEMBER 31, 2013

ASSETS

Bonds, long term	\$13,673,114
Other invested assets	875,083
Cash on deposit	104,640
Premiums receivable	434,396
Interest due and accrued	56,115
Amounts recoverable on paid losses	289,755
Income taxes receivable	559,918
Prepaid administrative fees	16,921
Prepaid service agent's fees	11,845
Other prepaid expenses and receivables	11,354
	<hr/>
Total assets	<u><u>\$16,033,141</u></u>

LIABILITIES AND MEMBERS' EQUITY

Losses unpaid	\$12,068,222
Loss adjustment expenses unpaid	435,449
Contingency reserve	1,533,683
Unearned premiums	1,562,425
Excess insurance premiums payable	27,495
Premium refunds payable	347,780
Taxes, licenses and fees payable	253,310
Dividends payable	1,244,364
Payroll audit fees payable	16,680
Professional fees payable	17,000
Investment fees payable	6,333
	<hr/>
Total liabilities	<u>\$17,512,741</u>
Restricted members' equity	\$255,206
Unrestricted members' equity	(1,734,806)
	<hr/>
Total liabilities and members' equity	<u><u>\$16,033,141</u></u>

STATEMENT OF INCOME
FOR YEAR ENDED DECEMBER 31, 2013

UNDERWRITING INCOME

Premiums earned	<u>\$4,726,069</u>
Deductions:	
Losses incurred	\$1,976,306
Loss expenses incurred	324,610
Other underwriting expenses incurred	1,191,333
Contingency reserve	<u>77,466</u>
Total underwriting deductions	<u>\$3,569,715</u>
Net underwriting gain	<u>\$1,156,354</u>

INVESTMENT INCOME

Net investment income earned	\$286,237
Net realized capital gains or (losses)	<u>(110,563)</u>
Net investment gain	<u>\$175,674</u>

OTHER INCOME

Dividends paid to previously applied to deficit years	<u>(\$297,000)</u>
Total other income	<u>(\$297,000)</u>
Net income before federal income taxes	\$1,035,028
Federal income taxes incurred	<u>(35,540)</u>
Net income	<u><u>\$1,070,568</u></u>

RECONCILIATION OF MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Members' equity, previous year before undistributed dividends	* \$2,709,407	\$523,885	(\$123,550)
Adjustment for previous examination changes	1,583,914		
Net income or (loss)	1,132,437	525,295	1,070,568
Net unrealized capital gains or (losses)	(196,808)	(110,107)	(163,112)
Dividends paid to members	<u>(4,705,065)</u>	<u>(1,062,623)</u>	<u>(1,019,142)</u>
Restricted and unrestricted members' equity, end of year	\$523,885	(\$123,550)	(\$235,236)
Less: Restricted members' equity, end of year	<u>261,318</u>	<u>255,303</u>	<u>255,206</u>
Unrestricted members' equity, end of year before undistributed dividends	\$262,567	(\$378,853)	(\$490,442)
Less: Dividends declared but unpaid	<u>627,175</u>	<u>1,040,055</u>	<u>1,244,364</u>
Unrestricted members' equity, end of year	<u><u>(\$364,608)</u></u>	<u><u>(\$1,418,908)</u></u>	<u><u>(\$1,734,806)</u></u>

* Adjusted members' equity from previous examination.

Members' Account By Fiscal Year Inception to Date December 31, 2013

	All Other Fiscal Years Preceding 1981-2009	Third Fiscal Year Preceding 2010	Second Fiscal Year Preceding 2011	First Fiscal Year Preceding 2012	Current Calendar Year 2013	Total Inception to Date (1981-2013)
<u>Income Received</u>						
Premiums written	\$131,525,073	\$5,169,618	\$5,081,654	\$4,635,855	\$7,003,913	\$153,416,113
Less: Excess insurance	13,467,806	585,904	492,412	553,985	622,056	15,722,163
Net premiums written	\$118,057,267	\$4,583,714	\$4,589,242	\$4,081,870	\$6,381,857	\$137,693,950
Investment income	15,079,775	250,647	142,340	43,616	227,617	15,743,995
Allocation between years	118,426	21,810	15,997	41,521	(197,754)	0
Other	1,827,501	0	0	0	(128,491)	1,699,010
Total income collected	\$135,082,969	\$4,856,171	\$4,747,579	\$4,167,007	\$6,283,229	\$155,136,955
<u>Less: Expenses Paid</u>						
Losses paid	\$71,538,643	\$1,216,286	\$2,262,167	\$1,557,292	\$1,001,248	\$77,575,636
Allocated loss adjustment expenses paid	3,502,134	200,138	368,525	255,394	157,511	4,483,702
Administrative fees	11,793,467	492,167	497,014	449,891	575,070	13,807,609
Service agent's fees	8,729,758	344,516	347,910	314,923	402,549	10,139,656
Taxes, licenses, and fees	2,468,813	228,131	225,104	200,249	0	3,122,297
Federal income tax	1,589,474	0	0	0	300,000	1,889,474
Other expenses	2,078,834	76,577	73,610	69,739	47,310	2,346,070
Total expenses	\$101,701,123	\$2,557,815	\$3,774,330	\$2,847,488	\$2,483,688	\$113,364,444
Net cash income	\$33,381,846	\$2,298,356	\$973,249	\$1,319,519	\$3,799,541	\$41,772,511
<u>Add: Receivables</u>						
Premiums receivable	\$0	\$0	\$0	\$0	\$434,396	\$434,396
Interest due and accrued	29,064	5,403	3,963	10,286	7,399	56,115
Recoverable on paid losses	289,755	0	0	0	0	289,755
Other	259,918	0	0	0	340,120	600,038
Total	\$578,737	\$5,403	\$3,963	\$10,286	\$781,915	\$1,380,304
<u>Deduct: Liabilities</u>						
Losses unpaid	\$2,462,100	\$958,056	\$1,482,295	\$2,648,832	\$4,516,939	\$12,068,222
Loss adjustment expenses	90,212	12,901	49,593	132,849	149,894	435,449
Contingency reserve	921,224	155,090	152,450	139,076	165,843	1,533,683
Unearned premiums	0	0	0	0	1,562,425	1,562,425
Excess ins. premiums payable	0	0	0	0	27,495	27,495
Premium refunds payable	0	0	0	0	347,780	347,780
Taxes, licenses and fees payable	0	0	0	0	253,310	253,310
Other expenses payable	0	0	0	1,000	39,013	40,013
Total	\$3,473,536	\$1,126,047	\$1,684,338	\$2,921,757	\$7,062,699	\$16,268,377

Members' Account By Fiscal Year Inception to Date December 31, 2013

	All Other Fiscal Years Preceding 1981-2009	Third Fiscal Year Preceding 2010	Second Fiscal Year Preceding 2011	First Fiscal Year Preceding 2012	Current Calendar Year 2013	Total Inception to Date (1981-2013)
Restricted and Unrestricted Members' Equity to date by fiscal year before dividends	\$30,487,047	\$1,177,712	(\$707,126)	(\$1,591,952)	(\$2,481,243)	\$26,884,438
Less: Dividends paid inception to date by fiscal year	26,236,900	882,774	0	0	0	27,119,674
Less: Restricted Members' Equity by fiscal year	<u>51,041</u>	<u>51,041</u>	<u>51,041</u>	<u>51,041</u>	<u>51,042</u>	<u>255,206</u>
Unrestricted Members' Equity undistributed by fiscal year	\$4,199,106	\$243,897	(\$758,167)	(\$1,642,993)	(\$2,532,285)	(\$490,442)
Less: Dividends declared but unpaid	<u>1,127,137</u>	<u>117,227</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,244,364</u>
Unrestricted Members' Equity 12/31/13	<u>\$3,071,969</u>	<u>\$126,670</u>	<u>(\$758,167)</u>	<u>(\$1,642,993)</u>	<u>(\$2,532,285)</u>	<u>(\$1,734,806)</u>

STATEMENT OF EXAMINERS' CHANGES IN MEMBERS' EQUITY
DECEMBER 31, 2013

	Amount Per <u>Association</u>	Amount Per <u>Examiner</u>	Increase (Decrease) <u>Members' Equity</u>
<u>Assets:</u>			
Premiums receivable	\$0	\$434,396	\$434,396
Prepaid administrative fees	23,643	16,921	(6,722)
Prepaid service agent's fees	16,550	11,845	(4,705)
<u>Liabilities:</u>			
Contingency reserve	\$1,530,981	\$1,533,683	(\$2,702)
Excess insurance premiums payable	0	27,495	(\$27,495)
Premium refunds payable	3,420	347,780	(344,360)
Taxes, licenses and fees payable	200,000	253,310	(53,310)
Investment fees payable	4,000	6,333	(2,333)
Examiners changes in members' equity			<u>(\$7,231)</u>
Restricted and unrestricted members' equity per Association			(\$1,472,369)
Restricted and unrestricted members' equity per Examiners			<u>(1,479,600)</u>
Decrease in restricted and unrestricted members' equity			<u>(\$7,231)</u>

RECOMMENDATIONS FOR CORRECTIVE ACTION

Management and Control

1. The results of this examination reflect an unrestricted members' equity deficit for the 2011, 2012 and 2013 fiscal years of \$758,167, \$1,642,993 and \$2,532,285, respectively.

The Board is reminded of its responsibility to assure that the Association is financially sound and able to fulfill its obligations under the Virginia Workers' Compensation Act. The Board must recognize the Association's financial condition and take necessary steps, which may include assessments, to eliminate all deficits.

Accounts and Records

2. Taxes, licenses and fees payable \$253,310

The above liability is \$53,310 more than the amount reported by the Association in its 2013 Annual Statement. The Examiners' amount was based on a review of invoices paid in 2014 for taxes pertaining to 2013.

3. Investment fees payable \$6,333

The above liability is \$2,333 more than the amount reported by the Association in its 2013 Annual Statement. The Examiners' amount is based on a review of invoices paid in 2014 for investment management services pertaining to 2013.

Payroll Audit Changes

The adjustments in the following recommendations were determined by utilizing each member's final 2013 fiscal year payrolls which were not fully completed until after the Association's 2013 Annual Statement filing to the Bureau.

4. Premiums receivable \$434,396
Premium refunds payable \$347,780

The above amounts are \$434,396 and \$344,360 more, respectively, than the amounts reported by the Association in its 2013 Annual Statement. The Examiners' amounts are based on subsequent 2013 member payroll audits and reflect differences between audited contributions and contributions paid at December 31, 2013.

5. <u>Prepaid administrative fees</u>	<u>\$16,921</u>
<u>Prepaid service agent's fees</u>	<u>\$11,845</u>

The above amounts are \$6,722 and \$4,705 less, respectively, than the amounts reported by the Association in its 2013 Annual Statement. The Examiners' amounts are based on the actual fees paid compared to the fees required by the agreements at December 31, 2013.

6. <u>Contingency reserve</u>	<u>\$1,533,683</u>
-------------------------------	--------------------

The above liability is \$2,702 more than the amount reported by the Association in its 2013 Annual Statement. The Examiners' change is a result of an increase in earned premium based on a review of subsequent 2013 member payroll audits, which is the basis for the calculation of the contingency reserve.

7. <u>Excess insurance premiums payable</u>	<u>\$27,495</u>
---	-----------------

The above liability has been established by the Examiners. The Examiners' amount reflects an increase in the modified normal premium, as defined by the excess insurer, and developed from subsequent 2013 member payroll audits, which is the basis for computing excess insurance premiums.

SUBSEQUENT EVENT

On October 8, 2014, the Bureau approved dividends for the Association totaling \$1,601,555 for fiscal years 1992, 2000, 2001, 2003 through 2011 and 2013.

CONCLUSION

The courteous cooperation extended by the Association's administrator and service agent during the course of the examination is gratefully acknowledged.

In addition to the undersigned, Chris Collins, CFE participated in the work of the examination.

Respectfully submitted,

A handwritten signature in black ink that reads "Darrin P. Bailey, Sr." The signature is written in a cursive style with a large initial 'D' and a long, sweeping tail.

Darrin P. Bailey, Sr., CFE, MHP, AIAF, FLMI
Senior Insurance Examiner

**UNITED CONTRACTORS OF VIRGINIA GROUP SELF INSURANCE
ASSOCIATION**

Administered By
SELF INSURANCE SERVICES, LLC
COST CONTROL THROUGH SERVICE

STATE CORP. COMMISSION
2015 FEB -2 AM 10:23
BUREAU OF INSURANCE

January 30, 2015

Mr. David H. Smith, CFE, CPA, CPCU
Chief Examiner
State Corporation Commission
Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218

Dear Mr. Smith:

Enclosed are the responses to your recommendations for corrective action for United Contractors of Virginia Group Self Insurance Association during the examination period January 1, 2011 through December 31, 2013.

Please let me know if you have any questions concerning our responses.

Sincerely,



F. Thomas Evans
Chairman
Members' Supervisory Board
United Contractors of Virginia
Group Self Insurance Association



Peggy DeBord, MBA, CPCU, CIC
Administrator
United Contractors of Virginia
Group Self Insurance Association

Enclosures

United Contractors of Virginia Group Self Insurance Association

Responses to Recommendations for Corrective Action

Management and Control

1. **The Association is aware of and will make every effort to assure that the Association is financially sound and able to fulfill its obligations under the Virginia Workers' Compensation Act.**

Accounts and Records

2. **The Association agrees with this adjustment. The adjustment was made with the benefit of subsequent audit information not available at the time the financial statement was filed.**
3. **The Association agrees with this adjustment. The adjustment was made with the benefit of subsequent audit information not available at the time the financial statement was filed.**

Payroll Audit Changes

4. **The Association agrees with this adjustment. The adjustment was made with the benefit of subsequent payroll audit information not available at the time the financial statement was filed.**
5. **The Association agrees with this adjustment. The adjustment was made with the benefit of subsequent payroll audit information not available at the time the financial statement was filed.**
6. **The Association agrees with this adjustment. The adjustment was made with the benefit of subsequent payroll audit information not available at the time the financial statement was filed.**
7. **The Association agrees with this adjustment. The adjustment was made with the benefit of subsequent payroll audit information not available at the time the financial statement was filed.**