



RECEIVED
WORKMANS' COMPENSATION BOARD
AUG 29 2003
SELF-INSURANCE OFFICE

**COMMUNITY RESIDENCE INSURANCE
SAVING PLAN SELF-INSURANCE
TRUST FOR WORKERS' COMPENSATION**

FINANCIAL REPORT

NOVEMBER 30, 2002



Urbach Kahn & Werlin LLP
CERTIFIED PUBLIC ACCOUNTANTS

Community Residence Insurance Saving Plan Self-Insurance Trust for Workers' Compensation

Contents

Independent Auditor's Report	1
Financial Statements	
Balance sheets.....	2
Statements of operations	3
Statements of changes in members' deficiency.....	4
Statements of cash flows	5
Notes to financial statements.....	6-13
Supplementary Information	
Schedules of expenses.....	14

Independent Auditor's Report

Board of Trustees
Community Residence Insurance Saving Plan
Self-Insurance Trust for Workers' Compensation

We have audited the accompanying balance sheets of Community Residence Insurance Saving Plan Self-Insurance Trust for Workers' Compensation (the "Trust") as of November 30, 2002 and 2001, and the related statements of operations, changes in members' deficiency, and cash flows for the years then ended. These financial statements are the responsibility of the Trust's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of Community Residence Insurance Saving Plan Self-Insurance Trust for Workers' Compensation as of November 30, 2002 and 2001, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of expenses on page 13 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Albany, New York
March 28, 2003

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Balance Sheets
November 30, 2002 and 2001

	2002	2001
ASSETS		
Cash and cash equivalents	\$ 1,523,538	\$ 1,097,653
Investments	3,651,179	2,671,201
Accrued interest receivable	23,256	13,202
Contributions receivable	905,550	1,298,805
Prepaid expenses	37,838	17,053
Total Assets	\$ 6,141,361	\$ 5,097,914
LIABILITIES AND MEMBERS' DEFICIENCY		
Current Liabilities		
Unearned contributions	\$ 2,419,522	\$ 1,996,505
Liability for reported and incurred but not reported claims	7,975,800	7,051,093
Accounts payable and accrued expenses	50,038	49,970
Liability for Workers' Compensation Board assessment	1,424,200	630,906
Total Liabilities	11,869,560	9,728,474
Members' Deficiency		
Unreserved	(5,252,463)	(4,180,713)
Accumulated other comprehensive loss	(26,566)	(11,265)
Subtotal	(5,279,029)	(4,191,978)
Less: surcharges receivable (Note 11)	449,170	438,582
Total Members' Deficiency	(5,728,199)	(4,630,560)
Total Liabilities and Members' Deficiency	\$ 6,141,361	\$ 5,097,914

See Notes to Financial Statements.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Statements of Operations Years Ended November 30, 2002 and 2001

	----- 2002 -----	Percent of Total Income	----- 2001 -----	Percent of Total Income
CONTRIBUTIONS				
Contributions written	\$ 6,251,864		\$ 5,049,123	
Contribution surcharge	-		1,502,956	
Less program administration commissions	(360,427)		(321,559)	
Less marketing and promotion commissions	(360,427)		(321,559)	
Contribution adjustments	637,977		317,627	
Net contributions written	6,168,987		6,226,588	
Change in unearned contributions	(423,017)		(513,307)	
Earned contributions	5,745,970 ✓		5,713,281 ✓	
OTHER INCOME				
Investment income	187,372		146,069	
Realized gain (loss) on sale of investments	6,177		(16,267)	
Interest expense	(13,258)		(9,362)	
Total income	5,926,261 ✓	100.0	5,833,721 ✓	100.0
OPERATING EXPENSES				
Claims paid	3,762,362	63.5	3,001,443	51.4
Claims reserve	924,707	15.6	2,104,093	36.1
Loss adjustment expenses	315,632	5.3	334,300	5.7
Workers' compensation fund assessment	1,247,400 ✓	21.0	526,354 ✓	9.0
Insurance expense	507,400 ✓	8.6	291,554 ✓	5.0
Provision for doubtful accounts	-		105,000 ✓	1.8
General and administrative expenses	240,510 ✓	4.1	208,127 ✓	3.6
Total operating expenses	6,998,011	118.1	6,570,871	112.6
LOSS FROM OPERATIONS BEFORE PROVISION FOR INCOME TAXES				
Provision for income taxes	(1,071,750)	(18.1)	(737,150)	(12.6)
Provision for income taxes	-		210,241	3.6
NET LOSS	\$ (1,071,750)	(18.1)	\$ (947,391)	(16.2)

See Notes to Financial Statements.

**Community Residence Insurance Saving Plan
Self-Insurance Trust For Workers' Compensation**

**Statements of Changes in Members' Deficiency
Years Ended November 30, 2002 and 2001**

	Members' Deficiency	Accumulated Other Comprehensive (Loss) Income	Total Members' Deficiency
Balance, December 1, 2000	\$ (3,233,322)	\$ (13,680)	<u>\$ (3,247,002)</u>
Comprehensive income (loss):			
Net loss 2001	(947,391)	-	(947,391)
Other comprehensive income:			
Unrealized gains on investments arising during the period	-	16,142	16,142
Reclassification adjustment	-	(13,727)	<u>(13,727)</u>
Comprehensive loss			<u>(944,976)</u>
Balance, November 30, 2001	(4,180,713)	(11,265)	(4,191,978)
Comprehensive income (loss):			
Net loss 2002	(1,071,750)	-	(1,071,750)
Other comprehensive income:			
Unrealized losses on investments arising during the period	-	(21,110)	(21,110)
Reclassification adjustment	-	5,809	<u>5,809</u>
Comprehensive loss			<u>(1,087,051)</u>
Balance, November 30, 2002	\$ (5,252,463)	\$ (26,566)	<u>\$ (5,279,029)</u>

See Notes to Financial Statements.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Statements of Cash Flows Years Ended November 30, 2002 and 2001

	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (1,071,750)	\$ (947,391)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Amortization of discount on investments	14,136	(860)
Realized (gain) loss on sale of investments	(6,177)	16,267
Deferred income taxes		210,141
(Increase) decrease in assets:		
Accrued interest receivable	(10,054)	10,533
Contributions receivable	382,667	(1,524,384)
Prepaid expenses	(20,785)	64,435
Increase (decrease) in liabilities:		
Unearned contributions	423,017	513,305
Liability for unpaid claims and claims adjustment expenses	924,707	2,005,243
Accounts payable	68	(58,106)
Accrued expenses and other liabilities	793,294	208,630
Net cash provided by operating activities	1,429,123	497,813
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(4,971,286)	(4,744,710)
Proceeds from sale of investments	3,968,048	4,401,255
Net cash used in investing activities	(1,003,238)	(343,455)
Net increase in cash and cash equivalents	425,885	154,358
Cash and cash equivalents, beginning of year	1,097,653	943,295
Cash and cash equivalents, end of year	\$ 1,523,538	\$ 1,097,653
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 13,258	\$ 9,362
Income taxes paid	\$ 100	\$ 100

See Notes to Financial Statements.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Notes to Financial Statements
November 30, 2002 and 2001

Note 1. Description of the Trust

Reporting Entity and Nature of Operations

Community Residence Insurance Saving Plan (CRISP) Self-Insurance Trust for Workers' Compensation (the Trust) was established October 31, 1995 and became operational on December 15, 1995. The Trust was established pursuant to the provisions of Subdivision 3-a of Section 50 of the Workers' Compensation Law. The Trust is governed by a Trust Agreement administered by a Board of Trustees, consisting of eight Trustees. The Trust receives the majority of its revenue from member contributions. Membership in the Trust is open to employers engaged in providing community services who are financially solvent; have an expected loss rate within set parameters; satisfy all other requirements of the Trust's excess carrier(s) and the Workers' Compensation Board of the State of New York and adhere to the safety policies and practices of the Trust. Voluntary termination of membership may only occur on the anniversary date of such membership. Upon termination of membership, such member shall remain liable for any and all dues and assessments applicable during any period during which the member was a participant in the Trust. During the year ended November 30, 2002, and 2001, approximately 179 and 184 community service providers, respectively, participated in the Trust.

Purpose of the Trust

The Trust was established for the purpose of meeting and fulfilling an employer's obligations and liabilities under Article 2 of the Workers' Compensation Law which provides for Workers' Compensation coverage and benefits; to form an overall Self-Insurance Trust pursuant to such Law, to provide maximum allowable advance discounts on contribution payments made by employers for Workers' Compensation coverage; and to minimize the cost of providing Workers' Compensation coverage by developing and refining specialized claim services and a loss prevention program for employers offering community services. A Program Administrator is employed by the Trust.

Plan Benefits

Workers' compensation benefits are provided by the Trust and administered under contract with the Trust's administrator. The Trust also has specific excess workers' compensation and employers' liability indemnity coverage with Safety National Casualty Corporation. Under the excess workers' compensation policy, the retained limit for workers' compensation coverage is \$250,000 each accident. In addition, the Trust's losses in excess of the greater of 100% of the trust contribution amount or the minimum loss fund amount of \$2,500,000, in the aggregate, will be covered by the specific and aggregate workers' compensation insurance. Under the Employers' Liability policy, the limit is \$1,000,000 in the aggregate per policy year. The Trust pays annual premiums for the insurance coverage. Fees for claims administration are based on the number of claims incurred and are included in claims adjustment expenses.

Contributions Earned

Contributions are billed to the members based on experience ratings and estimated covered payrolls of the participating members. Contributions are considered short-duration contracts and revenue is recognized as earned ratably over the coverage period and the balance is recorded

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Notes to Financial Statements
November 30, 2002 and 2001

Note 1. Description of the Trust, Continued

Contributions Earned, Continued

as unearned contributions. No final adjustment has been made in these financial statements for the difference between estimated contributions and contributions calculated based on audited payrolls of the members. Such final adjustments will be made prospectively upon completion of such audits.

Note 2. Summary of Significant Accounting Policies

Liability for Reported and Incurred but Not Reported Claims

The Trust establishes claims liabilities (see Note 5) based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the nature of the claim. Estimated amounts of reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claims frequency, and other economic and social factors and are reported at their estimated present value. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

Reinsurance

The Trust uses reinsurance agreements to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Trust and the members as direct insurer of the risks reinsured. To the extent that the reinsurance company should be unable to meet its obligations under the existing agreements, the Trust would be liable for such defaulted amounts. The Trust does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. No amount was deducted from claims liabilities as of November 30, 2002 and 2001 for reinsurance.

Income Taxes

Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Notes to Financial Statements
November 30, 2002 and 2001

Note 2. Summary of Significant Accounting Policies, Continued

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The significant estimate included in these financial statements is the liability for reported and incurred but not reported claims.

Cash and Equivalents

For financial statement purposes, all highly liquid investments are considered cash equivalents.

The Trust places its cash balances with high credit quality institutions. At times, such amounts may be in excess of the FDIC insurance limit.

Investments

Investments, classified as available for sale, are recorded at market value. Unrealized gains and losses are recognized as a separate component of members' deficiency. Realized gains and losses on investments are determined by specific identification and are charged or credited to current earnings.

Reclassifications

Certain balances in the 2001 financial statements have been reclassified for comparative purposes.

Note 3. Cash and Equivalents

At November 30, cash and equivalents consists of:

	2002	2001
Cash	\$ 949,253	\$ 570,064
Money Market Funds	574,285	527,589
Total cash and cash equivalents	\$ 1,523,538	\$ 1,097,653

For the years ended November 30, 2002 and 2001, the Trust had cash balances in financial institutions which exceeded Federal Depository Insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these deposits is minimal.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Notes to Financial Statements
November 30, 2002 and 2001

Note 4. Investments

Investments are classified as available for sale. Investments at November 30, consist of:

	2002		Unrealized Gain (Loss)
	Cost	Market	
Government securities	\$ 3,025,944	\$ 3,085,999	\$ 60,055
Equity securities	651,801	565,180	(86,621)
	<u>\$ 3,677,745</u>	<u>\$ 3,651,179</u>	<u>\$ (26,566)</u>

	2001		Unrealized Gain (Loss)
	Cost	Market	
Government securities	\$ 1,982,211	\$ 2,015,655	\$ 33,444
Equity securities	700,255	655,546	(44,709)
	<u>\$ 2,682,466</u>	<u>\$ 2,671,201</u>	<u>\$ (11,265)</u>

Note 5. Liability for Reported and Incurred but Not Reported Claims

Liabilities for reported claims and incurred but not reported claims are estimated by the Trust with input from consulting actuaries. The Trust's policy is to establish reserves for losses for reported claims on a case basis and for incurred but not reported claims on a basis of historically established industry statistical data and the Trust's own historical experience. The Trust management believes that it has recorded a liability for unpaid claims and claim adjustment expenses as of November 30, 2002 and 2001 that is reasonable in the circumstances. However, because the Trust does not yet have sufficient historical loss experience to determine whether actual incurred claims and claim adjustment expenses will reasonably conform to the assumptions used in the determination of the estimated liability for unpaid claims and claim adjustment expenses, the ultimate amount of unpaid claims and claim adjustment expenses may vary significantly from the estimated amounts included in the accompanying financial statements. The Trust also takes into account the time value of money by reporting claims liabilities at their present value.

Liability for Workers' Compensation Board assessment includes amounts due to the Workers' Compensation Board and an estimate based on the liability for reported and incurred but not reported claims.

Consulting actuaries have provided an estimate of reported claims and incurred but not reported claims as of November 30, 2002 and 2001, on both a discounted and non-discounted basis. The non-discounted estimate is \$9,588,000 for 2002 and \$8,944,000 for 2001.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

**Notes to Financial Statements
November 30, 2002 and 2001**

Note 5. Liability for Reported As Well As Incurred but Not Reported Claims, Continued

On a discounted basis, the estimate is \$7,976,000 for 2002 and \$7,051,000 for 2001. Management believes these amounts fairly present the liability for estimated future claims based upon current assumptions and levels of activity. At November 30, the liability for unpaid claims consists of:

	2002	2001
Liability for known claims	\$ 4,600,000	\$ 4,600,000
Liability for incurred but not reported claims	4,988,000	4,344,000
Total liability for unpaid claims	\$ 9,588,000	\$ 8,944,000
Discounted at 5% in 2002 and 6% in 2001	\$ 7,976,000	\$ 7,051,000

Note 6. Income Taxes

The provisions (benefits) for federal income tax differ from the amount of income tax determined by applying the federal statutory rate to pre-tax income. The difference is primarily due to the valuation allowance on deductible temporary differences and the net operating loss carryforward.

Income tax provisions (benefits) consist of the following:

	2002	2001
Current		
State	\$ -	\$ 100
Total current income tax	-	100
Deferred		
Federal	-	210,141
Total income tax provision	\$ -	\$ 210,241

Differences between the provision for income tax expense at statutory income tax rates and the provision in the statement of operations and changes in members' deficiency follows:

	2002	2001
Benefit at federal statutory rate	\$ (364,361)	\$ (250,631)
Capital losses	-	(5,531)
Change in valuation allowance	364,361	457,097
Other	-	9,266
Provision for income taxes	\$ -	\$ 210,201

The Trust has available approximately \$4.7 million of net operating loss carryforwards which can be used to reduce future taxable income. The net operating loss carryforwards begin to expire in 2020.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Notes to Financial Statements
November 30, 2002 and 2001

Note 6. Income Taxes, Continued

Deferred Tax Assets

Financial accounting presentation requirements and tax basis regulations result in differences between the basis of certain assets and liabilities for financial reporting purposes and tax purposes. The tax effects of these differences, to the extent they are temporary, are recorded as deferred tax assets and liabilities and consist of the following at November 30, 2002:

	2002	2001
Deferred revenue	\$ 164,527	\$ 139,123
Allowance for doubtful accounts	35,700	35,700
Net operating loss	1,612,436	1,156,214
Liability for unpaid claims and claims adjustment expenses	-	117,265
Deferred tax asset	1,812,663	1,448,302
Less valuation allowance	1,812,663	1,448,302
Net deferred tax asset	\$ -	\$ -

A valuation allowance has been provided to reduce deferred tax assets to amounts management believes are likely to be realizable in the near term.

Note 7. Letter-of-Credit

The Trust has an unused \$2,300,000 irrevocable letter of credit with a bank which expires on April 30, 2003. The letter of credit is collateralized by cash and investments held at this bank.

Note 8. Trust Administrator and Claims Adjuster

Program Risk Management, Inc. is the Trust's administrator and PRM Claim Services, Inc. (an affiliate of the Trust's administrator) is the claims adjuster for the Trust. The Trust paid approximately \$316,000 in loss adjusting expense in 2002 and \$206,000 in 2001 to PRM Claim Services, Inc. In addition, the Trust paid approximately \$360,000 in program administration commissions in 2002 and \$322,000 in 2001, respectively, to Program Risk Management, Inc. PRM Claim Services, Inc. was holding \$62,559 in 2002 and \$24,921 in 2001 in a claim trust account to pay claims on behalf of the Trust. These amounts are included in cash and cash equivalents.

Note 9. Commitments and Contingencies

The Trust has entered into a participation agreement with each member to provide risk management services, workers' compensation and employer's liability coverage. The agreement stipulates, among other things, that each member is jointly and severally liable for the workers' compensation and employer's liability obligations of the Trust and its members which were incurred during the member's period of membership in the Trust, irrespective of the subsequent termination of the membership in the Trust, the insolvency or bankruptcy of another member of the Trust, or other facts or circumstances. Accordingly, the financial viability of the Trust is contingent, among other factors, upon the financial viability of the individual members.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Notes to Financial Statements
November 30, 2002 and 2001

Note 10. Management's Plans

The Trust incurred a significant loss in the year ended November 30, 2002, and at that date had a members' deficiency (excess of liabilities over assets) of approximately \$5,728,000. In response, management of the Trust has undertaken a number of initiatives designed to improve its profitability and financial viability. These initiatives include the following steps:

- The Trust continues to administer an underwriting and pricing program that focuses on adding new members that are historically profitable, without using additional discounts. In addition, underwriting guidelines have been revised to assure that any unprofitable accounts are isolated and given higher rates, aggressive loss control consultation and services, action plans to reduce losses, and Return To Work programs. Accounts remaining unprofitable are ultimately removed from the Trust at renewal.
- On May 1, 2001, the Trust replaced the third party administrator who previously handled its claim administration. The new third party administrator, which is an affiliate of the Trust's program administrator, has revised claims management and settlement practices with the objective of reducing ultimate cost of each claim.
- On November 30, 2001, the Trust billed its members a surcharge (included in earned contributions for the year ended November 30, 2001) of approximately \$1,503,000, before an allowance of \$105,000 and equity offset of approximately \$533,000 (see Note 11). The amount of the surcharge was based on the amount of the deficit, each participant's loss history, and the length of time each participant was a member of the Trust. In addition, the Trust continues to adopt rate adjustments as filed by the New York Workers' Compensation Insurance Rating Board.

While there can be no assurances that all of these initiatives will be successful, management believes that their impact will be sufficient to support operations and provide sufficient resources to discharge its obligations as they become due, for at least the next twelve months. Over the long term, these initiatives are designed to eliminate the deficit. In addition, the Trust has the ability to assess its members, who are jointly and severally liable, for additional funds to eliminate its deficit.

Note 11. Surcharges Receivable

As described in Note 10, the Trust billed its members a surcharge on November 30, 2001 of approximately \$1,503,000. Although most members have paid the amount of the surcharge, certain former members have not remitted the amounts due. These former members have either gone out of business or have refused to pay. As explained in Note 1, the Trust agreement provides that a member shall remain liable for any and all dues and assessments applicable during any period during which the member was a participant in the Trust. The Trust has provided an allowance for doubtful accounts against the surcharge receivable of \$105,000 for 2002 and 2001 principally for those former members that have gone out of business.

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Notes to Financial Statements
November 30, 2002 and 2001

Note 11. Surcharges Receivable, Continued

During March 2003, the Trust commenced an action against six of the former members (total surcharge receivable of \$533,079) seeking to enforce the Trust agreement and to recover the amounts due. Management believes that it has a strong case and will ultimately prevail and recover these funds. In the event of an unfavorable outcome, the Trust also has the option to surcharge the remaining members for these amounts, however, the Trust has indicated that it is reluctant to do this. Due to the uncertain nature of the recovery, the amounts of unpaid surcharges receivable have been reflected in the balance sheets as an equity offset (addition to members' deficiency).

As a result of assessing the surcharge on November 30, 2001, the Trust offered its members the option of financing the amount (with an unrelated finance company) with the stipulation that the Trust would incur the finance charge rather than the member. For the year ended November 30, 2002, total finance charges incurred were \$10,470.

Supplementary Information

Community Residence Insurance Saving Plan Self-Insurance Trust For Workers' Compensation

Schedules of Expenses
Years Ended November 30, 2002 and 2001

	2002	Percent of Income	2001	Percent of Income
INSURANCE EXPENSE				
Trust reinsurance	\$ 454,900	7.7%	\$ 262,247	4.5%
Surety bond insurance	34,500	0.6%	20,807	0.4%
Directors and officers insurance	18,000	0.3%	8,500	0.1%
Total insurance	\$ 507,400	8.6%	\$ 291,554	5.0%
GENERAL AND ADMINISTRATION				
Actuarial services	\$ 19,583	0.3%	\$ 20,000	0.3%
Legal	13,523	0.2%	17,977	0.3%
Accounting and auditing	34,870	0.6%	24,195	0.4%
Loss control service	60,000	1.0%	60,000	1.0%
Workers' compensation audits	31,342	0.5%	19,459	0.3%
Letter of credit expense	20,930	0.4%	13,427	0.2%
Trust and investment administration	29,979	0.5%	25,801	0.4%
Printing	641	0.0%	905	0.0%
Office expense and other	2,236	0.0%	2,691	0.0%
Financing subsidy	10,470	0.2%	-	0.0%
Trustee fees	12,375	0.2%	18,500	0.3%
Trustee expense	4,561	0.1%	5,172	0.1%
Total general and administration	\$ 240,510	4.1%	\$ 208,127	3.6%