



NORTH CAROLINA **RATE BUREAU**

2014 ANNUAL REPORT



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CORE VALUES

Commitment

Integrity

Respect

Talents

Ownership

Consistency

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- David Sink Chief Financial Officer
919-582-1012 des@ncrb.org

GENERAL ORGANIZATIONAL INFORMATION

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- Website Address www.ncrb.org
- Physical Address 2910 Sumner Blvd.
Raleigh, NC 27616

2014 ANNUAL MEETING

The annual meeting of member companies of the North Carolina Rate Bureau will be held October 15, 2014, at the Grandover Resort and Conference Center, Greensboro, North Carolina.

GENERAL MANAGER'S REPORT



Ray Evans
GENERAL MANAGER

It seems only a few months, not a year, since preparing this report for last year's annual meeting. While time goes by rapidly, our mission does not change. As I have described previously, we continue to keep our eye on what the Governing Committee has directed us to do: do our work with complete integrity, comply with statutes, advocate for adequate rates, be good stewards of member's money, communicate factually and well and treat our associates fairly.

This past year our concentration, in addition to our day-to-day work, has been to examine what we do from an enterprise risk management view, push for adequate rates and continue to improve the effectiveness of our operations.

While all are connected, the basics of our enterprise risk management evaluation include security, succession planning, business continuity, internal controls, oversight, quality and a process-driven environment, with security, succession planning, internal controls and quality getting most of the attention. Security has been mostly an Information Services affair as we have had an independent security evaluation and moved to Microsoft Windows 7 for the desktop. Succession planning is more than just anticipating the need to replace individuals and includes, in our view, how best to manage, cross train and coordinate activity. To this end, we have moved the information center (our call center) to the Rate Bureau operations as most of their work is related to workers compensation activity. The Audit Committee had its organizational meeting in June and is now an important part of the internal control and oversight structure of the Rate Bureau.

While these issues get much of our attention, in the background are a number of "unsung heroes" who respond daily to inquiries to the Rate Bureau. Most of these inquiries are related to workers compensation insurance. The call center noted above facilitates answering 3,000–4,000 inquiries per month, both telephone and email, about classifications, ownership, experience mods and assigned risk. We also have a unit that resolves disputes that arise in these areas. This area, managed by Betty Hurst, is involved in all kinds of activity, from mediation to presenting sworn testimony at various hearings to participating in litigation. There is also a unit managed by Delisa Fairley that manages the huge amount of data collected by us and is the interface between customers and the complex electronic programs we are using, including a new quality program for file submissions. The goal of Sue Taylor, COO, and each of the associates that works for her is to make each contact smooth, professional and productive. Betty, along with other managers Karen Byrd, Lynne Mays, Amy Tart, Rebecca Williams and Debbie Cox and the associates that work with them, are doing just that.

So we are busy, and this year is shaping up to be another one where we will accomplish much. However, there remains one area in which we do not appear to be on track to succeed, and this is residential property adequate rates. In the other lines for which we are responsible, we have been able, at some point in the past 5 years or so, and it was not easy, to reach a reasonable level of adequacy and thereafter implement a small yearly change to keep it up to date. Residential property rate adequacy has eluded us, but we will continue to work towards this goal.

This past year has been busy, and the participation of our member insurers' representatives has been awesome. By the end of the year, we will have had 100 or so committee meetings working on rate level changes, policy wording changes, a new wind only policy, new territory definitions, revised rating relativities and a host of other details. We thank them for their enthusiasm, expert advice, providing multiple viewpoints on subjects and being available, often on short notice. And, I thank the Governing Committee for its guidance and support and its willingness to meet on short notice when the need arises.

Ray Evans
General Manager

MESSAGE FROM THE CHAIR OF THE GOVERNING COMMITTEE

As my two-year term as Chairman of the North Carolina Rate Bureau Governing Committee comes to a close, I look back and reflect on what has occurred during this past year:

- A homeowner rate and territory filing was made January 2014. The rate filing is scheduled for a hearing this fall.
- An auto territory filing was made November 2013 and is still pending at the Department of Insurance.
- A Private Passenger Automobile rate level review was filed with the Department of Insurance.
- Workers Compensation filings were made for a .3% increase in loss costs and a 9.0% increase for the residual market. The loss cost filing was approved, and the residual market filing was settled for a 4.2% increase.
- An Audit Committee for the Rate Bureau was created, and the initial meeting was held.

All of these accomplishments were possible due to the hard work of the members of the Governing Committee and all of the support committees and subcommittees. More than 140 company members participate on these committees, making decisions that affect the insurance climate in the State of North Carolina.

The staff of the Rate Bureau, led by Ray Evans, as well as the consultants and counsel of the Rate Bureau have provided assistance all year to me and to the committee members. These relationships were instrumental in providing the support needed.

I thank you for the opportunity I have had over the past two years to chair the Governing Committee.

Sincerely,
Roger Batdorff
North Carolina Farm Bureau
Mutual Insurance Company
Chair, NCRB Governing Committee



NORTH CAROLINA RATE BUREAU CONSTITUTIONAL COMMITTEE MEMBERS

GOVERNING COMMITTEE	
Members	Representative
Allstate Insurance Company	Brian Donlan
American Home Assurance Company	Ira Feuerlicht
Auto-Owners Insurance Company	Drew Klasing
Builders Mutual Insurance Company	Jerry Visintine
Hartford Fire Insurance Company	Andy Montano
Integon Indemnity Corporation	Art Lyon
Liberty Mutual Insurance Company	Jared Stuckey
NC Farm Bureau Mutual Insurance Company	Roger Batdorff*
Progressive Casualty Insurance Company	Kevin McGee
State Farm Mutual Automobile Insurance Company	Alan Bentley
United Services Automobile Association	Dan Pickens
Unitrin Auto & Home Insurance Company	Jennifer Fredenberg
Public Members	William D. Edgar, Jr. Justin Wolfe

PROPERTY COMMITTEE	
Members	Representative
Allstate Insurance Company	Brian Donlan
Amica Insurance Company	James Sherring
Erie Insurance Exchange	Kristopher Marrison
Hartford Fire Insurance Company	Andy Montano
Members Insurance Company	Michael Cole
Nationwide Mutual Insurance Company	Kathy Southern
NC Farm Bureau Mutual Insurance Company	Bob Tart
PA National Mutual Casualty Insurance Company	Pat Lovell
State Farm Fire and Casualty Company	Bob Messier*
Travelers Indemnity Company	Sylvia Kyle
United Services Automobile Association	Michael Patterson
Unitrin Auto & Home Insurance Company	Christy Jones

AUTOMOBILE COMMITTEE	
Members	Representative
Allstate Insurance Company	Christopher Stoll
Government Employees Insurance Company	Monica Grillo
Hartford Accident & Indemnity Company	Cliff Wess
Integon Indemnity Corporation	Art Lyon
Liberty Mutual Insurance Company	Jared Stuckey
Nationwide Mutual Insurance Company	Zachary Webber
NC Farm Bureau Mutual Insurance Company	Roger Batdorff
Progressive Casualty Insurance Company	Kevin McGee
State Farm Mutual Automobile Insurance Company	Kathy Popejoy*
Travelers Indemnity Company	Sylvia Kyle
United Services Automobile Association	Lisa Sukow
Unitrin Auto & Home Insurance Company	Christy Jones

WORKERS COMPENSATION COMMITTEE	
Members	Representative
American Home Assurance Company	Ira Feuerlicht
Amerisure Insurance Company	Brent Otto
Builders Mutual Insurance Company	Jerry Visintine
Companion Property & Casualty Company	Tom Walsh
Harleysville Mutual Insurance Company	John Zulueta
Hartford Accident & Indemnity Company	Melinda Thompson
Key Risk Insurance Company	John Godfrey
Liberty Mutual Insurance Company	Andrew Larson
NC Farm Bureau Mutual Insurance Company	Roger Batdorff
PA National Mutual Casualty Insurance Company	Lynette Prosser
Travelers Indemnity Company	Jeffrey Schmidt*
Zurich American Insurance Company	Richard Ferris

In addition to the Constitutional Committees, the following subcommittees and task force groups assisted the Bureau in 2014: Audit Committee, Auto Territory Task Force, Property Forms Subcommittee, Property Rating Subcommittee, Property Territory Task Force, Workers Compensation Forms Subcommittee. Special thanks is extended to all who participated in committees, subcommittees and task force groups for the North Carolina Rate Bureau in 2014!

*Chair

INSURANCE OPERATIONS



The North Carolina Rate Bureau continues to strive to provide high-level service to member companies, agents, insureds, regulators and legislators. Each year the bar is raised higher, and 2014 was no exception. The past year presented many challenges to the Bureau, but the associates of the Bureau worked together to make sure the customer needs were met. The following is a list of accomplishments for Insurance Operations over the past year:

- In total, the North Carolina Rate Bureau made 24 filings with the North Carolina Department of Insurance. These filings include a rate review and proposed territory changes for Personal Auto, a rate and territory filing for Homeowners and loss cost and assigned risk rate filings for Workers Compensation. In addition, miscellaneous form and rule changes were filed in each line.
- An Audit Committee was established for the Rate Bureau with the purpose of providing assistance to the Governing Committee in fulfilling its responsibility for the oversight of the quality and integrity of the accounting, auditing and financial reporting practices of the Organization.
- The Insurance Operations area was reorganized in April. The reorganization realigned functions into Data Operations, Compliance and Workers Compensation Assigned Risk. Associates were moved to new areas, and management changes were made.

The reorganization has enhanced the flow of work in the department and diversified the experience level of the associates.

- The Information Center which handles the incoming phone calls and emails for the Organization was relocated to Insurance Operations. It is anticipated that this move will increase the knowledge of the phone representatives and provide improved coverage in response to phone and email inquiries.
- Reference sources for the insurance lines have been improved. In Workers Compensation, a new North Carolina Statistical Plan Manual was released, and more user-friendly changes will be forthcoming. A North Carolina State-Specific Basic Manual is being developed, with the first draft of the manual currently under review.
- Continued initiatives have taken place to improve the quality of the data and provide customers with the most up-to-date systems and services available. For Workers Compensation, a new Carrier Data Quality Report was introduced to provide key benchmarks to carriers on data quality and a new Policy Data Quality and Timeliness Program will begin in November to improve the quality of policy data.
- There has been an ongoing collaboration with other rating bureaus and advisory organizations across the country. This synergy with other bureaus has allowed for insight and sharing that has been useful in the focus on new technology.

This list represents only some of the accomplishments of the North Carolina Rate Bureau over the past year, but the scope represents determination to provide extraordinary service. It is through the hard work and passion of the Bureau employees, committee members, counsel and advisors that these accomplishments have taken place.

PERSONAL LINES

Automobile

On February 1, 2014, the Rate Bureau filed a rate level review with the Commissioner of Insurance. The Rate Bureau is required to make a filing by February 1 each year, and this year it was decided to file only a review of the data and not request a revision in the rates from the currently approved rates. The next such filing will be made on or before February 1, 2015.

As a result of filing a review only in 2014, it was necessary to make a model year and symbol relativity filing to revise the base model year. This was filed in April 2014, and became effective October 1, 2014.

The General Statutes require the Rate Bureau to review automobile territory definitions at least once every 10 years. The last filing was made in 2003. In 2013, the Rate Bureau filed proposed revisions to the territory definitions based on zip codes. The Rate Bureau has had a number of discussions related to the filing with the Department of Insurance including discussions of possible changes to the proposed new definitions. The filing is pending as of the preparation of this report.

Safe Driver Insurance Plan

As required in the General Statutes, the Rate Bureau continues to provide a mechanism for policyholders to appeal “points” that have been charged as a result of at-fault accidents. Below is a summary of the results of those appeals.

	2014	2013	2012
In Favor of Insured	2	1	1
In Favor of Company	4	3	3

Property

On January 3, 2014, the Rate Bureau submitted a Homeowners filing to the Commissioner proposing an overall rate level change of +25.6%, a revision to the windstorm and hail exclusion credits and revised territory definitions. The Commissioner subsequently called for a public hearing that is scheduled to begin October 20.



WORKERS COMPENSATION

In September, the Rate Bureau filed for a Workers Compensation loss cost decrease of -3.4% in the voluntary market. In the Assigned Risk market, the Rate Bureau filed a rate decrease of -4.5%. Those filings are pending as of the preparation of this report.

Assigned Risk and Operations Support

North Carolina continues to see an increase in the number of assigned risk policies. Through June 2014, new and renewal risks have increased 7.2%, and premium has increased 9.5% from the same six-month period in 2013. The number of assignments with premiums over \$100,000 has increased 12.5% from the prior year.

In 2006, the Bureau introduced the electronic application, ManageAR, to the agent community. Through mid-year 2014, 94.7% of all assigned risk applications are being submitted to the Rate Bureau electronically through this system. The assigned risk staff has intensified their efforts to work closely with agents to increase their usage of the electronic funds transfer (EFT) payment method. In the first half of 2014, the percentage of EFT usage is 70.8%, up almost 6 percentage points from the 2013 calendar year.

One of the duties the Bureau has, as Plan Administrator for the North Carolina Workers Compensation Insurance Plan, is the selection of servicing carriers. In 2013, following receipt and review of bids, Bureau staff selected three servicing carriers (up from two in the prior contract period). Beginning January 1, 2014 and expiring December 31, 2016, the North Carolina servicing carriers are AmGuard Insurance Company, Riverport Insurance Company and Travelers Property and Casualty Companies of America. For 2014, the eight direct assignment carriers are ACE American Insurance Company, American Interstate

Insurance Company, American Zurich Insurance Company, Auto-Owners Insurance Company, Cincinnati Insurance Company, Continental Casualty Company, Hartford Underwriters Insurance Company and Liberty Mutual Fire Insurance Company.

Data Operations

The Data Operations area consists of five associates responsible for the collection, reporting and monitoring of Personal Lines and Workers Compensation data.

The following provides a summary of the volume of data collected and processed by the Bureau:

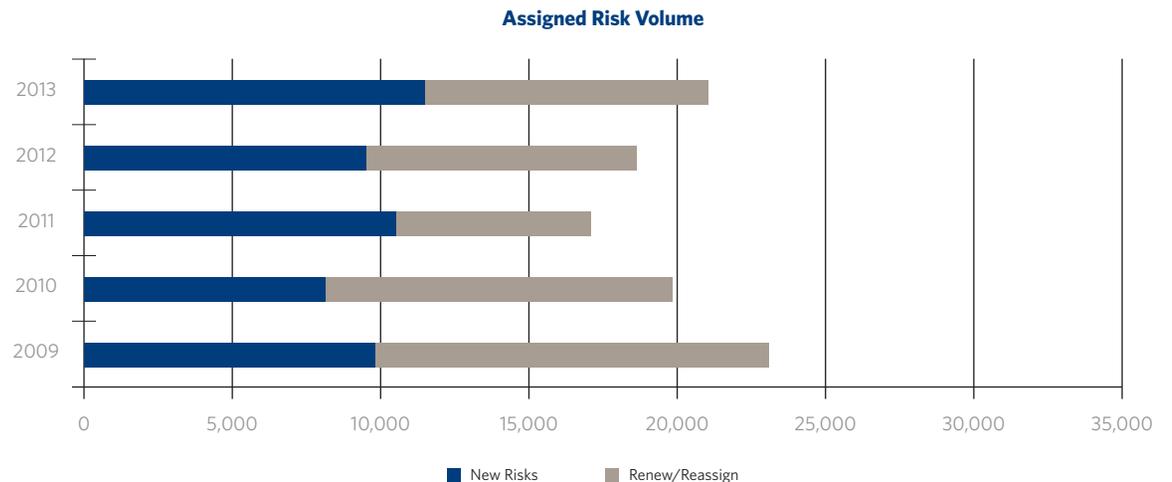
- Over the past 12 months, the Bureau processed 655,882 workers compensation policy-related transactions. These transactions consist of new and renewal policies, cancellations, reinstatements and endorsements.
- The Bureau collects workers compensation unit statistical data used for the promulgation of experience mods and rate making. The Bureau processed 212,537 unit statistical reports and issued 42,091 experience mods.

- The Bureau collects 6 state special data calls through the Industry Data Collection (IDC) system. The Bureau processed 990 company responses to calls for expense experience and 769 state special data calls for installment premiums.

Policy Data Timeliness and Quality Program

In November 2014, the Bureau will implement a Policy Data Timeliness and Quality Program as approved by the Workers Compensation Committee and Governing Committee. Member companies writing workers compensation insurance submit policy information electronically to the Bureau. The information received is verified through a series of edits that measure the quality of the data being reported.

This program will help ensure that member companies are reporting accurate and timely data to the Bureau. Beginning January 1, 2015, fines for data errors and rejected transactions related to the reporting of new and renewal policies, cancellations and reinstatements will be assessed. Fines will also be assessed for the late submission of coverage-related information (policies, cancellations and reinstatements).



Carrier Data Quality Report Web Application

The Bureau introduced the Carrier Data Quality Report (CDQR) web application in May 2014.

The CDQR web application provides member companies with useful information regarding the quality and timeliness of CDQR data submitted to the Bureau during a selected data year. The CDQR web application analyzes Member Company reporting performance for the two previous years in the categories of policy, unit statistical and compliance/noncompliance transaction reporting.

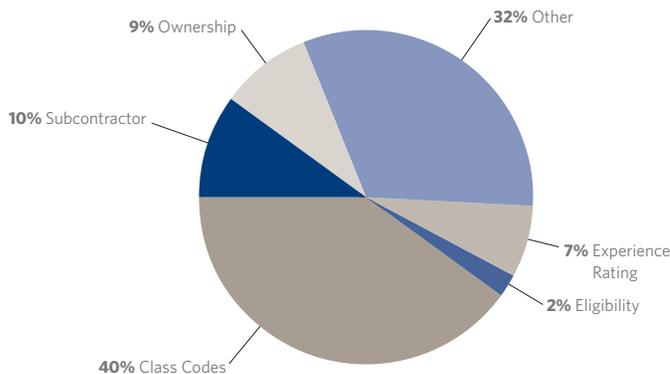
Classification and Ownership

Over the past 12 months, the Bureau handled 3,778 class code inquiries and processed 2,469 ownership work items. Staff continues to review workflows in both of these areas in an effort to respond to class code inquiries and process ownership changes timely.

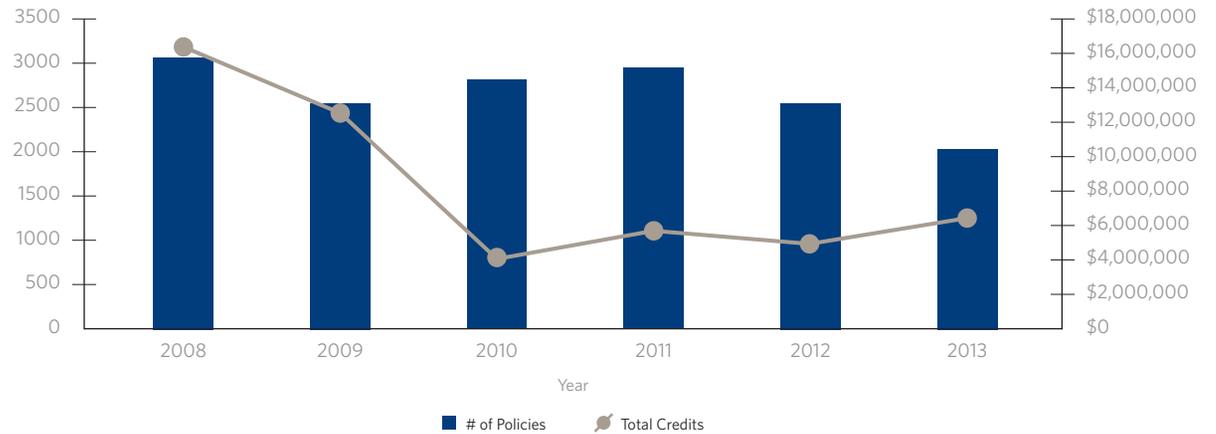
Disputes

The Bureau handled 54 workers compensation disputes in the first six months of 2014. This is a 25% increase over the number processed in the first six months of 2013.

**Breakdown of Workers Compensation Disputes
7/1/13-6/30/14**



Take-Out Credits



The dispute procedures allow the parties to waive the right to a hearing. In those instances, the Bureau will review information submitted by all parties and render a written opinion. Most disputes submitted to the Bureau are resolved in this manner. There were five hearings held in the past 12 months. Most disputes involve some level of legal representation during the dispute process.

The chart to the left represents a breakdown by category of disputes received by the Bureau over the past 12 months.

Take-Out Credits

The purpose of the North Carolina Workers Compensation Assigned Risk Take-Out Credit program is to encourage carriers to depopulate the residual market. Carriers are given a “credit” for workers compensation premium moved from the assigned risk market to the voluntary market. These “credits” are applied to the carrier’s voluntary premium and are used in calculating their assigned risk participation base. The graph above is a summary of Take-Out Credit activity for the past six years.

Information Center

The Information Center, which answers phone and email inquiries for the three organizations, was relocated to Insurance Operations in July 2014. The Information Center handles approximately 3,500 inquiries each month. Sixty percent of these inquiries are phone calls, and the remainder are emails. Ninety-five percent of the inquiries are for the Rate Bureau, and five percent are for the North Carolina Reinsurance Facility and the North Carolina Insurance Guaranty Association. Regular customer surveys show 97% customer satisfaction.

North Carolina Manual Updates

The revised North Carolina Workers Compensation Statistical Plan Manual was approved effective April 1, 2014. The updated manual contains plain-language text and reflects reporting rules consistent with today’s electronic reporting environment.

Within the next several months, a digital version of the manual will be available for use. The digital version will provide easier navigation, allow for the highlighting of text and provide a link between Bureau circulars and the manual.



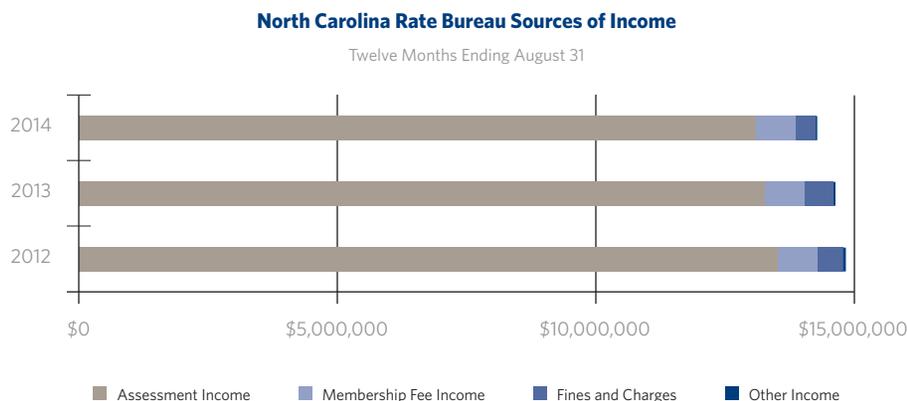
The North Carolina State-Specific Basic Manual is currently being rewritten to incorporate the North Carolina State exceptions into the body of the manual. Carriers are currently involved in the review of the rewritten manual, and notification will be provided via circular when the rewritten manual becomes effective.

SHARED SERVICES

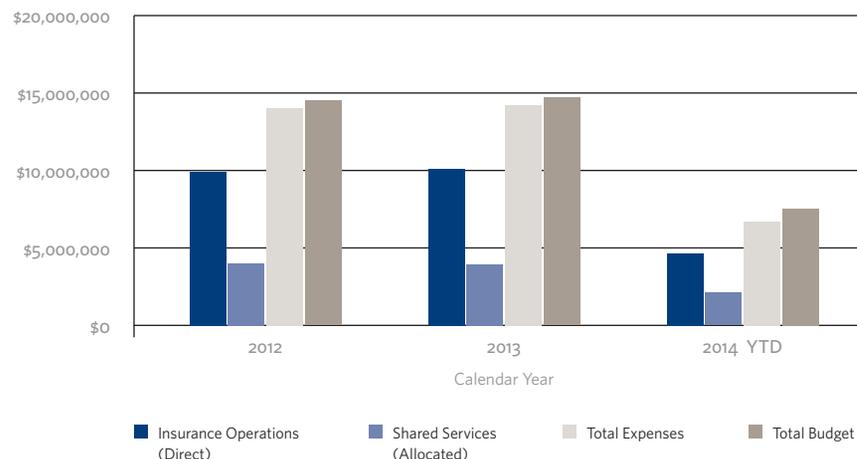
Finance

The financial exhibits on page 11 reflect the comparative balance sheets and income statements for the most recent two years ending August 31, 2014. Noteworthy is the increase in the Bureau's restricted cash and investments, which include the self-insured group medical insurance plan reserves, resulting from higher premiums and significant improvement in claim experience over the past year. The administrative expenses have been fairly stable and remained under budget for the past two and one-half years.

The inaugural meeting of the Audit Committee of the Rate Bureau was held on June 10, 2014. Ernst & Young presented the audited financial statements and the required communications to the Committee for the year ending December 31, 2013. Ernst & Young issued an unqualified opinion on the statements of cash receipts and disbursements, noting that there were no misstatements or internal control weaknesses identified during the audit and that the significant accounting policies had been consistently applied during the current year.



North Carolina Rate Bureau Administrative Expenses



Assessments to member companies represent 90% of the Rate Bureau's receipts as reflected in the chart below. An increase in non-assessment income is anticipated during the next report year as new data quality fines are scheduled to commence in early 2015. Assessment income decreased approximately 2% for the second consecutive year ending August 31, 2014. This was again primarily attributable to lower expenses during the report year and a reduction in the assessable budget. Income from charges and fines for delinquent USRs decreased about 28%, and other sources of income were relatively stable compared to the report period a year ago.

The total expenses of the Rate Bureau are comprised of the direct costs related to specific activities of the Bureau as well as the allocated expenses of the departments whose services are shared with the Reinsurance Facility and the Insurance Guaranty Association. Historically,

North Carolina Rate Bureau	Administrative Expenses		
	2012	2013	Thru June 2014
Insurance Operations (Direct)	\$ 9,923,988	\$ 10,060,927	\$ 4,644,821
Shared Services (Allocated)	4,040,119	3,977,984	2,073,482
Total Expenses	\$ 13,964,107	\$ 14,038,911	\$ 6,718,303
Total Budget	\$ 14,582,906	\$ 14,738,137	\$ 7,495,331

the direct expenses account for approximately 70% of the total expenses while the allocated costs represent the remaining 30%. The table and chart on the previous page show a summary of the direct and allocated expenses for the previous two years and the first half of 2014 and reflect that the Bureau's administrative expenses have been under budget for the respective periods. The 2012 final expenses will be adjusted by other income and miscellaneous items and reapportioned to all member companies during the 4th quarter of 2014.

Information Services

The Information Services (IS) Department is responsible for Information Technology. The Department strives to provide quality software solutions to customers and provide safe, secure, efficient technology solutions for the internal staff.

The Software Development group maintains more than 20 custom software applications used by customers and internal staff. In addition to the regular enhancements, upgrades and maintenance that are provided for these applications, the Bureau also participates and benefits from collaboration with fellow Associations that manage and oversee additional products that are shared across the Industry.

The Information Technology group continues to focus on keeping technology current and appropriate as well as managing ever-increasing risks from the outside. To this end, a third-party company completed a security audit of the environment in late 2013 into early 2014. In 2014 and 2015, work will take place on the remediation plan resulting from that audit that will help improve and ensure the security of the environment. In addition to technical changes in the environment, an educational awareness program is being implemented in the organization to ensure

that all associates understand their role and responsibilities regarding security. Increased education of the internal IT staff is also being done so that they are also well equipped to advise and remediate any new needs or security concerns. As part of the risk management effort, internal controls are continuing to be implemented to protect the organization.

In 2013, an organization-wide effort began to revisit processes and systems for business continuity planning and disaster recovery. In the first half of 2014, efforts were focused on revisiting the Business Impact Analysis, which is an effort to re-evaluate the business needs surrounding how long processes and systems can be interrupted during a business interruption or disaster. In the second half of the year and into 2015, the Bureau will focus on redefining solutions for recovery of technology (Disaster Recovery) and physical space as well as ensuring workaround processes are in place until standard operations are back up and running.

Human Resources and Administrative Services

Human Resources is committed to the Organization's most valued assets—people. Administrative Services provides a secure and comfortable work environment as well as mailroom and receptionist services. A wellness program, associate training and community service are all activities provided for employees.

The Wellness Program includes:

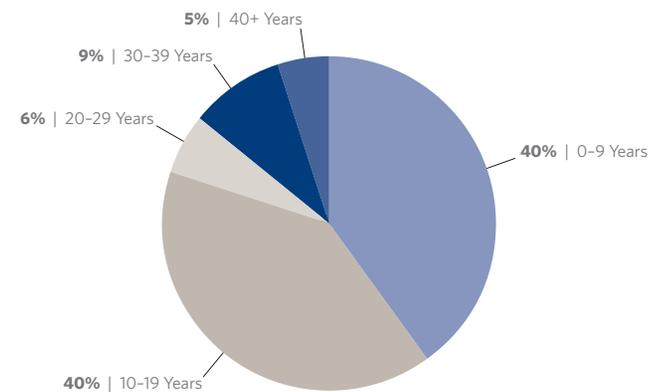
- WeightWatchers at Work
- Partnership with WakeMed Hospital
- Partnership with the Athletic Performance Center
- Partnership with the NC Prevention Partners
- Participation in the Wellness Council of America's (WELCOA) Step-By-Step program of walking 10k steps a day

- Flu shots provided for associates on-site
- Certification in First Aid, CPR and AED for a third of the workforce through the American Red Cross

On-site training this year consisted of 22 fitness classes, four wellness seminars, 30 wellness lunch-n-learns, six professional development workshops and four financial workshops.

Community service involvement by associates this year included St. Jude Children's Research Hospital, the United Way and the NC Food Bank.

Rate Bureau Years of Service



Celebrating Service Milestones

- 1 associate, 5 years
- 7 associates, 10 years
- 1 associate, 15 years
- 2 associates, 35 years
- 1 associate, 40 years
- 1 associate, 55 years



NCRB MANAGEMENT STAFF



Karen Byrd
MANAGER,
ASSIGNED RISK AND
OPERATIONS SUPPORT



Debbie Cox
SUPERVISOR,
INFORMATION CENTER



Delisa Fairley
MANAGER, INSURANCE
DATA OPERATIONS



Betty Hurst
MANAGER, WORKERS
COMPENSATION



Tim Lucas
MANAGER,
PERSONAL LINES



Lynne Mays
SUPERVISOR,
ASSIGNED RISK AND
OPERATIONS SUPPORT

ORGANIZATION SHARED RESOURCES



Karen Ott
SUPERVISOR,
PERSONAL LINES



Amy Tart
SUPERVISOR,
WC COMPLIANCE



Rebecca Williams
MANAGER,
DATA ANALYSIS



Shelley Chandler
CHIEF INFORMATION
OFFICER



Vicki Godbold
CHIEF ADMINISTRATIVE
OFFICER



David Sink
CHIEF FINANCIAL OFFICER

NORTH CAROLINA RATE BUREAU

BALANCE SHEET

Year Ending

	August 31, 2014 (Preliminary)	August 31, 2013
Assets		
Cash & Investments (Unrestricted)	\$2,625,200	\$2,572,417
Cash & Investments (Restricted)	1,101,600	871,745
Assessments Receivable	30,000	18
Accounts Receivable	107,050	32,900
Other Assets	-	19,967
Total Assets	\$3,863,850	\$3,497,047
Liabilities & Fund Equity		
Refund to Carriers Payable	\$ -	\$ -
Retiree Insurance Payable - Restricted	551,600	554,597
Other Benefits Payable - Restricted	550,000	317,148
Other Liabilities	(17,500)	(17,416)
Total Liabilities	\$1,084,100	\$854,329
Fund Equity	2,779,750	2,642,718
Total Liabilities & Fund Equity	\$3,863,850	\$3,497,047

INCOME STATEMENT

Year Ending

	August 31, 2014 (Preliminary)	August 31, 2013
Income		
Assessments Income	\$13,094,400	\$13,283,100
Membership Fees Income	780,000	777,000
Late Data Reporting Charges	14,400	15,200
Delinquent USR Charges	377,000	525,100
Other Income	1,225	2,290
Total Income	\$14,267,025	\$14,602,690
Expenses (Net)		
Legal, Consulting & Other Outside Services	\$7,900,000	\$7,878,283
Salaries & Administration Expenses	3,175,000	3,111,456
Other Operating Expenses	2,850,000	3,010,914
Total Net Expenses	\$13,925,000	\$14,000,653
Net Income	\$342,025	\$602,037



NORTH CAROLINA RATE BUREAU

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