AGENDA

Utah Counties Indemnity Pool Board of Directors Meeting

Wednesday, October 25, 2023 12:30 p.m.

UAC/UCIP Offices, 5397 S Vine St, Murray, UT

12:30	Open Meeting, Welcome, Pledge of Allegiance, Prayer	Bruce Adams
ITEM	ACTION	
1.	Review/Excuse Board Members Absent	Bruce Adams
2.	Review/Approve August 17, 2023 Meeting Minutes	Mike Wilkins
3.	Ratification/Approval of Payments and Credit Card Transactions	Mike Wilkins
4.	Review/Approve Third Quarter Financial Statements	Sonya White
5.	Review/Approve 2024 PEHP Renewal	Sonya White
6.	Review/Approve 2024 URS Renewal	Sonya White
7.	Review/Approve 2024 COLA	Johnnie Miller
8.	Review/Approve 2024 Tentative Budget	Sonya White
9.	Review/Approve Property Part I Coverage Addendum Amendments	Johnnie Miller
10.	Review/Approve Authority Scope Purpose Coverage Addendum Amendment	Johnnie Miller
11.	Review/Approve Board Elected Appointed Positions Policy Amendments	Johnnie Miller
12.	Review/Approve Business Continuity Disaster Recovery Policy Amendments	Johnnie Miller
13.	Review/Approve Employee Reimbursement Policy Amendments	Sonya White
14.	Review/Approve Minutes Recordings and Records Policy Amendments	Sonya White
15.	Review/Approve Personnel Policies Amendments	Craig Blake
16.	Review/Approve IT and Computer Security Policy	Johnnie Miller
17.	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Bruce Adams
18.	Action on Personnel Matters	Craig Blake
19.	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	Bruce Adams
20.	Action on Litigation Matters	Christopher Crockett
	INFORMATION	
21.	Nominating Committee Report	Bob Stevenson
22.	Chief Executive Officer's Report	Johnnie Miller
23.	Annual Membership Meeting Agenda	Aly Michale
24.	Other Reports	Bruce Adams

Electronic Meeting Notice: 681-999-0167, Participant Passcode: 675642, Anchor Location: 5397 S. State St, Murray, UT

UTAH COUNTIES INDEMNITY POOL
5397 S Vine St Murray UT 84107-6757, 801-565-8500, ucip.utah.gov

Support

PUBLIC NOTICE WEBSITE ADMIN
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Notice Added

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General Information

Government Type:

Interlocal

Entity:

Utah Counties Indemnity Pool

Public Body:

Board of Directors

Notice Information

Emergency Notice:

No

Notice Title:

Board Meeting

Notice Subject:

Administrative Services

Notice Type(s):

Notice, Meeting, Hearing

Event Start Date & Time:

December 21, 2023 12:00 PM

Event End Date & Time:

December 21, 2023 03:00 PM

Description/Agenda:

Open Meeting
Recess for Public Hearing on the UCIP 2024 Budget
Reconvene

Review/Excuse Board Members Absent
Ratify 2024 Contributions
Review/Approve 2024 Liability Reinsurance Renewal/Aggregate/SIR
Review/Approve 2024 Crime Renewal
Review/Approve Workers Compensation Renewal
Review/Approve 2024 LocalGovU Renewal
Review/Approve 2024 Microniche Contract
Review/Approve 2024 TCNS Contract
Review/Approve Defense Panel Rates
Review/Approve Audit Services Engagement Letter-Audit Committee
Review/Approve Actuarial Services Engagement Letter-Audit Committee
Set Date and Time for Closed Meeting to Discuss the Lease of Real Property
Action on Lease of Real Property
Review/Approve 2024 Final Budget
Review/Approve October 25, 2023 Meeting Minutes
Ratification/Approval of Payments and Credit Card Transactions
Review/Approve Credit Card and Limit for the Executive Administrative Specialist
Review/Appoint Board Position-Chair of the Litigation Management Committee
Elect Officers of the Board
Review/Approve Coverage Addendum Amendments
Review/Approve IT and Computer Security Policy Amendments
Review/Approve Board Meeting Rules of Order and Procedure Policy Amendments

Review/Approve County/County Related Entity Membership
Set Date, Time and Place of Regular Meetings for 2024
Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual
Action on Personnel Matters
Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation
Action on Litigation Matters

Chief Executive Officer's Report
Other Reports

Notice of Special Accommodations (ADA):

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Aly Michale at the Utah Counties Indemnity Pool, 5397 S Vine St, Murray, UT 84107-6757, or call 801-565-8500, at least three days prior to the meeting.

Notice of Electronic or Telephone Participation:

Electronic or Telephone Participation will not be available for the meeting.

Send copy of notice to:

amichale@ucip.utah.gov,legals@sltrib.com

Meeting Information

Street Address:

4927 S. State Street

City:

Murray

ZIP Code:

84107

Download Attachments

File Name	Category	Date Added
Agenda.pdf	Other	2023/12/12 12:10 PM

UTAH COUNTIES INDEMNITY POOL

BOARD OF DIRECTORS MEETING MINUTES

Date and Time
October 25, 2023, 12:30 p.m.

Location
UAC/UCIP Offices, 5397 S Vine St, Murray, Utah

Directors Present
Bruce Adams, *President,* San Juan County Commissioner
Michael Wilkins, *Secretary/Treasurer,* Uintah County Clerk/Auditor
Craig Blake, Sevier County Human Resource Director
Christopher Crockett, Weber County Deputy Attorney
Bob Stevenson, Davis County Commissioner
Stan Summers, Box Elder County Commissioner
Sim Weston, Rich County Commissioner

Directors Absent
William Cox, *Vice President,* Rich County Commissioner
Gage Froerer, Weber County Commissioner
Victor Iverson, Washington County Commissioner
Greg Miles, Duchesne County Commissioner
Kelly Sparks, Davis County Sheriff
David Tebbs, Garfield County Commissioner

Officers and Staff Present
Johnnie Miller, UCIP Chief Executive Officer
Sonya White, UCIP Chief Financial Officer
Aly Michale, UCIP Executive Administrative Specialist
Korby Siggard, UCIP Claims Manager
Lance Welch, UCIP Senior Claims Specialist

Call to Order
Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Directors to order at 12:33 p.m. on October 25, 2023. Adams welcomed attendees and led the Pledge of Allegiance. Korby Siggard offered a prayer. Korby Siggard informed the Board that he is retiring and introduced the new Senior Claims Specialist, Lance Welch, that will be replacing his position. Each Board member introduced themselves to Welch after he gave his background and history.

Review/Excuse Board Members Absent
Bob Stevenson made a motion to excuse William Cox, Gage Froerer, Victor Iverson, Greg Miles, Kelly Sparks and David Tebbs from this meeting. Stan Summers seconded the motion, which passed unanimously.

Review/Approve August 17, 2023 Meeting Minutes
The draft minutes of the Board of Director's meetings held on August 17, 2023 were previously sent to the Board Members for review (see attachment number one). Michael Wilkins made a motion to approve the August 17, 2023 minutes as written. Sim Weston seconded the motion, which passed unanimously.

Ratification/Approval of Payments and Credit Card Transactions
Michael Wilkins reported that he has reviewed the payments made and credit card transactions of the Pool as of October 25, 2023 (see attachment number two). Michael Wilkins made a motion to approve the payments and credit card transactions as presented. Bob Stevenson seconded the motion, which passed unanimously.

Review/Approve Third Quarter Financial Statements
The third quarter 2023 financial statements were previously sent to the Board for review (see attachment number three). Sonya White reviewed the Balance Sheet with the Board. Cash and cash equivalents are at $15.5 million of which $465,000 is Zions Wealth Advisors cash held in PTIF. Prepaid expenses are at $1.7 million, which includes prepaid reinsurance. Total assets are $18.5 million. Long term investments are at $2.4 million in Zion's Capital. Capital contributions are at $2.5 million, which is the equity in County Reinsurance Limited (CRL). Property and equipment is almost fully depreciated, at $1,135. Deferred outflows for pension is at $152,113. Total assets are at $23.7 million. Reserves for losses are at $8.2 million. Accrued expenses are at $164,011, the majority of which is employee sick and vacation hours accrued. Contributions paid in advance is $2.2 million. The total net position of the Pool for the 2023 third quarter is $12.6 million. White reviewed the Income Statement with the Board, showing that accrued contributions are at 75% of budget. Investment income is at 110%. Losses and loss adjustments are at 73% of budget and reinsurance is at 52% of budget due to overestimation of the CRL premium surcharge. Total underwriting expenses are at $5.1 million. Administrative expenses are trending well at 68% of budget. Total change in net position is at $1.4 million. The Statement of Cash Flows details cash activities as of the quarter ending September 30. Michael Wilkins made a motion to approve the third quarter financial statements as presented. Bob Stevenson seconded the motion, which passed unanimously.

Review/Approve 2024 PEHP Renewal
Sonya White presented the 2024 renewal rates from Public Employees Health Program (PEHP) to the Board (see attachment number four). White explained that employees are happy with the current Traditional Option Two Plan. Rates for medical increased five percent, vision increased one percent and there is no increase in rates for dental. The Pool pays 90% of the employee's benefits. Stan Summers made a motion to approve the 2024 PEHP Renewal as presented. Craig Blake seconded the motion, which passed unanimously.

Review/Approve 2024 URS Renewal
Sonya White presented the Utah Retirements Systems (URS) preliminary rates to the Board (see attachment number five). UCIP is in the Public Employee Noncontributory Retirement System (line 15). Currently, four employees are in the Tier 1 System at a rate of 16.97. Starting July 1, 2024 any employees in the Tier 2 DB Hybrid System will be required to contribute 0.70 percent of wage if legislation is not passed during the 2024 session. Craig Blake explained that when a new employee is hired, URS adds them to the DB Hybrid System. The employee then can choose to go to a Deferred Contribution Plan, only within their first year. Craig Blake made a motion to approve the preliminary 2024 URS Renewal rates as presented. Michael Wilkins seconded the motion, which passed unanimously.

Review/Approve 2024 COLA
Johnnie Miller reported that as of September 31, 2023, the Consumer Price Index for the Western Region annual inflation increase is 4.1%. The Board approved an 8.5% COLA increase last year. Miller recommends a three percent COLA increase for employees in 2024 based on this

information. A three percent increase has been calculated into the 2024 tentative budget. Bob Stevenson made a motion to approve a three percent COLA increase for employees in 2024. Sim Weston seconded the motion, which passed unanimously.

Review/Approve 2024 Tentative Budget
The proposed 2024 Tentative Budget was previously sent to the Board for review (see attachment number six). Sonya White reported that contributions have been previously approved by the Board at $10.4 million. Losses and loss adjustments at $4.45 million account for the higher self-insured retentions. Indications for property reinsurance is a 28% increase, liability reinsurance is a 15% increase and crime coverage a five percent increase. Proposed changes in administrative expenses are an additional $10,000 for financial and professional services and a decrease in personnel to $900,000 due to employee retirements. This tentative budget calculates at an increase to the net asset management fund of $455,000. Bob Stevenson motioned to approve the 2024 Tentative Budget. Stan Summers seconded the motion, which passed unanimously.

Review/Approve Property Part 1 Coverage Addendum Amendments
Proposed amendments to the Coverage Addendum were previously sent to the Board for review (see attachment number seven). Johnnie Miller reported that the Governance Committee met on October 17, 2023 to discuss the amendments to the Coverage Addendum. Miller reviewed the proposed amendments. A 125% margin clause will be implemented and language has been added regarding conducting appraisals due to the 125% margin clause. Sublimits have been added for coverages. Craig Blake made a motion to approve the amendments to the Coverage Addendum as presented. Michael Wilkins seconded the motion, which passed unanimously.

Review/Approve Authority Scope Purpose Coverage Addendum Amendment
Johnnie Miller provided the Board with the proposed amendment to the Authority Scope Purpose Coverage Addendum (see attachment eight). Craig Blake made a motion for the amendments to the Coverage Addendum be effective January 1, 2024. Michael Wilkins seconded the motion, which passed unanimously.

Review/Approve Board Elected Appointed Positions Policy Amendments
Proposed amendments to the Board Elected Appointed Positions Policy were previously sent to the Board for review (see attachment number nine). Johnnie Miller explained that language is proposed regarding current directors up for reelection shall automatically be placed on the ballot to simplify the process. Sim Weston made a motion to approve the amendments to the Board Elected Appointed Positions Policy as presented to the Board. Michael Wilkins seconded the motion, which passed unanimously.

Review/Approve Business Continuity Disaster Recovery Policy Amendments
Proposed amendments to the Business Continuity Disaster Recover Policy were previously sent to the Board for review (see attachment number 10). Johnnie Miller explained that primarily references to the Chief Financial Officer (CFO) were removed and language added for employees to provide the Chief Executive Officer (CEO) with login credentials for computers and programs accessed by employees as a pre-disruptive event action. The CEO shall secure each computer system login credentials. Bob Stevenson made a motion to approve the amendments to the Business Continuity Disaster Recovery Policy as presented to the Board. Stan Summers seconded the motion, which passed unanimously.

Review/Approve Employee Reimbursement Policy Amendments
Proposed amendments to the Employee Reimbursement Policy were previously sent to the Board for review (see attachment number 11). Sonya White explained that all references to the Chief Financial Officer (CFO) have been stricken and language is proposed to specify the reimbursement rate when using a personal camper or trailer for lodging. Craig Blake made a motion to approve the amendments to the Employee Reimbursement Policy as presented. Sim Weston seconded the motion which passed unanimously.

Review/Approve Minutes Recordings, and Records Policy Amendments
Proposed amendments to the Minutes, Recordings and Records Policy were previously sent to the Board for review (see attachment number 12). Sonya white explained that language is proposed to address closed sessions that are not required to be recorded shall not be recorded. Christopher Crockett made a motion to approve the amendments to the Minutes, Recordings and Records Policy as presented to the Board. Bob Stevenson seconded the motion, which passed unanimously.

Review/Approve Personnel Policies Amendments
Proposed amendments to the Personnel General Provisions, Employee Recruitment, Employment Classification, Employment Termination, Employee Compensation, Employee Benefits, Employee Retirement, Employee Leave, Employee Education Assistance, Standards of Conduct, Employee Discipline, the Grievance and Appeal Process and Protection of Public Employees Policies were previously sent to the Board for review (see attachment number 12). Craig Blake explained that the Personnel Committee met on October 17, 2023 to review proposed amendments to the Personnel Policies. Blake reviewed with the Board amendments to: General Provisions regarding required training and work hours; Employee Recruitment itemizing procedures; Employment Classification extending the probation time for new and rehired employees from 90 to 180 calendar days; Employee Benefits payment of early retiree medical benefits; Employee Leave definitions for FMLA and USERRA; Employee Education Assistance increase from $500 to $1,000; Standards of Conduct strike Federal Drug Free Workplace Act of 1988, references to computer systems and new language for ethical behavior; and Grievance and Appeal Process definition of Personnel Committee. Blake noted that all references to the CFO throughout the Personnel Policies presented have been stricken. Christopher Crockett made a motion to approve the amendments to the Personnel Policies as presented. Sim Weston seconded the motion, which passed unanimously.

Review/Approve IT and Computer Security Policy
Johnnie Miller reviewed the newly drafted IT and Computer Security Policy that was previously sent to the Bord for review (see attachment number 13). The purpose of this policy is to establish basic rules, standards, and guidelines of computer security. The new policy meets all requirements of the reinsurer and sets the standard for members security. Bob Stevenson made a motion to approve the IT and Computer Security Policy as presented, effective January 1, 2024. Craig Blake seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting
Bob Stevenson made a motion to strike agenda item: *Set Date and Time for a Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual.* Stan Summers seconded the motion, which passed unanimously.

Action on Personnel Matters
Bob Stevenson made a motion to strike agenda item: *Action on Personnel Matters.* Stan Summers seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting
Stan Summers made a motion to set the date and time of a Closed Session to Discuss Pending or Reasonably Imminent Litigation for October 25, 2023 at 1:57 p.m. Craig Blake seconded the motion, which passed unanimously. Board Members attending the closed meeting: Bruce Adams, Stan Summers, Bob Stevenson, Michael Wilkins, Craig Blake, Christopher Crockett and Sim Weston. Officers and staff member present were Johnnie Miller, Sonya White and Aly Michale. The regular scheduled meeting resumed on October 25, 2023 at 2:25 p.m.

Action on Litigation Matters
Stan Summers made a motion to increase settlement authority to the CEO Johnnie Miller up to $350,000 and to the Senior Claims Specialist up to $100,000. Sim Weston seconded the motion, which passed unanimously. Christopher Crockett made a motion that in the matter of

DAV00003652017, UCIP will offer settlement up to the amount authorized by the reinsurer. Stan Summers seconded the motion, which passed unanimously.

Nominating Committee Report

Bob Stevenson reported that William Cox's Fifth-Sixth Class Representative Board position will be available for 2024. Cox would like to be considered for reelection. There are no other nominees for the available position. William Cox will be the single name listed on the ballots.

Chief Executive Officer's Report

Johnnie Miller reported that 2024 contribution notices were sent to the members on September 1, 2023. Due to discussions and updates to the members in advance, Miller has not received any questions or concerns about the rates and contributions.

Miller reported that the HR affiliate group reached out to UCIP for assistance planning their summer workshop. Aly Michale coordinated the event, which was held on August 24 and August 25, 2023, and Davis County facilitated the workshop at their Memorial Courthouse. The workshop was very well received.

Miller attended the CRL property coverage member's meeting with other pool directors as well as the CRL Board meeting. The CRL executive committee has made an offer for a new CEO as the current CEO is retiring. Miller also attended the Sheriff's Conference with Korby Siggard and the Civil Attorney's Conference with Siggard and Lance Welch.

Miller expects the new claims system to be going live in the next 30 days and the old system will no longer be available as of January 1, 2024. Costs for the new system are only a fraction of what other pools are paying.

The Utah Association of Counties (UAC) Annual Convention will be held at the Dixie Center in St. George in November and UCIP will be attending. The Annual Meeting of the Members will be held on the second day of the Convention.

Legislative Session is coming up and Miller informed the Board that there is a bill that would affect land use claims against the counties. Another issue that has been brought up has to do with drug testing code so he has reached out to the HR directors for their opinions on the matter. Miller will continue to keep the Board updated on legislative issues.

Annual Membership Meeting Agenda

Aly Michale reviewed the November 15, 2023 Annual Membership Meeting agenda with the Board (see attachment number 14). The meeting will start at 4:45 p.m. in the Garden Room at the Dixie Convention Center in St. George for the business portion. Bob Stevenson agreed to announcing the nominee for the available board position and the election results. The member dinner will be held after the meeting at the Rib and Chop House restaurant.

Other Reports

The next meeting of the Board of Directors will be held Thursday, December 21, 2023, at 12:00 p.m., at Home2 Suites, 4927 South State Street, Murray, UT.

Bruce Adams adjourned the Utah Counties Indemnity Pool Board of Directors Meeting at 2:46 pm. on October 25, 2023.

Prepared by: Aly Michale

Aly Michale, UCIP Executive Administrative Specialist

Submitted on this 25 day of October 2023

Michael W. Wilkins

Michael W Wilkins, Secretary/Treasurer

Approved on this 25 day of October 2023

Bruce Adams

Bruce Adams, President

UTAH COUNTIES
INDEMNITY POOL

BOARD OF DIRECTORS
MEETING MINUTES

Date and Time
August 17, 2023, 12:30 p.m.

Location
UAC/UCIP Offices, 5397 S Vine St, Murray, Utah

Directors Present
Bruce Adams, *President,* San Juan County Commissioner
William Cox, *Vice President,* Rich County Commissioner
Michael Wilkins, *Secretary/Treasurer,* Uintah County Clerk/Auditor
Craig Blake, Sevier County Human Resource Director
Victor Iverson, Washington County Commissioner
Kelly Sparks, Davis County Sheriff
Bob Stevenson, Davis County Commissioner
Sim Weston, Rich County Commissioner

Directors Participating Telephonically
David Tebbs, Garfield County Commissioner

Directors Absent
Christopher Crockett, Weber County Deputy Attorney
Gage Froerer, Weber County Commissioner
Greg Miles, Duchesne County Commissioner
Stan Summers, Box Elder County Commissioner

Officers and Staff Present
Johnnie Miller, UCIP Chief Executive Officer
Sonya White, UCIP Chief Financial Officer
Aly Michale, UCIP Executive Administrative Specialist

Call to Order
Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Directors to order at 12:30 p.m. on August 17, 2023. Adams welcomed attendees and led the Pledge of Allegiance. Victor Iverson offered a prayer.

Review/Excuse Board Members Absent
William Cox made a motion to excuse Christopher Crockett, Gage Froerer, Greg Miles and Stan Summers from this meeting. Bob Stevenson seconded the motion, which passed unanimously.

Review/Approve June 9, 2023 Meeting Minutes
The draft minutes of the Board of Director's meetings held on June 9, 2023 were previously sent to the Board Members for review (see attachment number one). Michael Wilkins made a motion to

approve the June 9, 2023 minutes as written. William Cox seconded the motion, which passed unanimously.

Ratification/Approval of Payments and Credit Card Transactions
Michael Wilkins reported that he has reviewed the payments made and credit card transactions of the Pool as of August 17, 2023 (see attachment number two). Michael Wilkins made a motion to approve the payments and credit card transactions as presented. Victor Iverson seconded the motion, which passed unanimously.

Review/Approve Second Quarter Financial Statements
The second quarter 2023 financial statements were previously sent to the Board for review (see attachment number three). Sonya White reviewed the Balance Sheet with the Board. Cash and cash equivalents are at $18.4 million of which $277,000 is Zions Wealth Advisors cash held in PTIF. Short-term investments are at $1.2 million and prepaid expenses are at $819,257, which includes accrued reinsurance. Net pension asset is at $265,752. Long term investments are at $2.35 million, for a total of $3.89 million in investments with Zions Wealth Advisors. Property and equipment is almost fully depreciated. Total assets are at $25.8 million. Liability reserves are at $8.2 million. The total net position of the Pool for the 2023 second quarter has increased to $12.5 million. White reviewed the Income Statement with the Board, showing that contributions are at 50% of budget, investment income is at 73% of budget, losses and loss adjustments are at 41% of budget and reinsurance is at 32% of budget. White noted that UCIP is over budget for public relations because UAC's contract is fully paid in the second quarter. Financial and professional services is over budget because actuarial, appraisal and audit services are paid for the year. Total change in net position is at $1.357 million. The Statement of Cash Flows shows cash activities as of the quarter ending June 30. Michael Wilkins made a motion to approve the second quarter financial statements as presented. William Cox seconded the motion, which passed unanimously.

Review/Approve Rate Setting Policy
Sonya White reviewed the newly drafted Rate Setting Policy that was previously sent to the Board for review (see attachment number four). The purpose of this policy is to outline rate setting procedures and responsibilities by the Board and to establish Member contributions to fund the Pool. Bob Stevenson recommended that a reference to the Net Asset Management Policy would clarify the meaning of "excessive public funds" in *Section F Policy Statements*. Victor Iverson verified that net assets should not exceed 250% of annual contributions. Victor Iverson made a motion to approve the Rate Setting Policy as presented, with the exception of adding language referring to the Net Asset Management Plan. Bob Stevenson seconded the motion, which passed unanimously.

Review/Approve 2024 Actuarial Rate Analysis
The Actuarial Rate Analysis was previously sent to the Board for review (see attachment number five). Johnnie Miller reviewed a summary of the analysis with the Board and explained the process and data By The Numbers Actuarial Consulting (BYNAC) utilizes to provide contribution indications. The analysis is as of June, after all Members had updated their schedules and exposures. The report is based on UCIP's actual losses and exposure information, not insurance industry data. The recommended indicated contributions are $10,070,000, to cover claims and expenses for the 2024 year at an expected confidence level of 55%. This is a 6.4% increase of contributions from last year's, which is in part due to increased exposures.

General Liability is for bodily injury and damage to other people's property. Property is damage to property of the Member. Law Enforcement Liability is for activity such as corrections, arrest, and prosecution. Public Officials Liability generally includes employee lawsuits for discipline and termination, and land use. Other POL claims would be discrimination and civil rights related claims. Projected losses for Law Enforcement Liability are $1.5 million, an increase of 5.6% from the prior year. Projected losses for Public Officials Liability are $900,000, an increase of 5.9%. General Liability projected losses are $550,000, an increase of 14.6%. Auto Liability projected losses are $330,000, an increase of 10%. Projected losses for Property are $1.5 million, a 22%

increase. The total loss projections to the prior year increased by 11.8%. These indications are to pay only the claims within the Pool's layer; $350,000 Self Insurance Retention (SIR) for Liability and $500,000 SIR for Property. Miller further explained how these numbers are calculated and reviewed rate trends for the Board to consider, in addition to the year-to-year numbers. After all expenses and losses, BYNAC has indicated that the Pool will need to collect $2,190 per law enforcement officer for Law Enforcement Liability, $305 per employee for Public Officials Liability, $184 per employee for General Liability, $281 per automobile for Automobile Liability, and 13.83 cents per every $100 of property value for Property coverage.

Rather than charge the higher amount for a higher confidence level, the Board has restricted money in the Rate Stability Fund. These restricted funds are not considered when dividends are calculated. Traditionally, the Board has targeted an amount between the 55% and 75% confidence level in the Rate Stability Fund in the event the Pool did not collect enough contribution. The actuarial 75% rate confidence level is $10,900,000, the difference between the 55% and 75% confidence level is $830,000. There is currently $200,000 in the Rate Stability Fund. Michael Wilkins made a motion to approve the actuarial rate analysis as presented and increase the Rate Stabilization Fund to $830,000. Victor Iverson seconded the motion, which passed unanimously.

Review/Approve Member Affirmed Exposures

The Member affirmed exposures were previously sent to the Board for review (see attachment number six). Sonya White reported that each member has recorded and affirmed their county exposures. The total change in member exposures is approximately seven percent. White charted the statement of value, number of automobiles, unmanned aerial systems, number of full-time employees, number of full-time law enforcement officers, and total revenues from each member. Bob Stevenson made a motion to approve the exposures updated and affirmed by each member as presented. Victor Iverson seconded the motion, which passed unanimously.

Review/Approve 2024 Rates

Sonya White provided the Board with a rate comparison sheet (see attachment number seven). White explained that the 2023 Approve Rates show current member exposures using the rates the Board approved for the current year. When the Board approved rates for the 2023 program, the only increase in rates were for the rates charged by the reinsurance provider. In this scenario, the Pool would collect $9,049,359, $1,024,576 less than the actuarial expected level. The second scenario provides the Board with the rates indicated by the actuary. As shown in the Rate Trend Charts, during the actuarial report discussion, actuarial indicated rates can increase and decrease from year to year more than the Board may want in keeping with the goals of the Pool to stabilize rates. Therefore, the next scenario, 2024 Recommended Rates, may be a more fair and equitable option for the Board to consider for the members. Victor Iverson made a motion to approve the 2024 Recommended Rates as presented. William Cox seconded the motion, which passed unanimously.

Review/Approve 2024 Estimated Member Contributions

Member's estimated contributions based on the affirmed exposures and 2024 recommended rates were previously sent to the Board for review (see attachment number eight). William Cox made a motion to approve the estimated member contributions as presented. Michael Wilkins seconded the motion, which passed unanimously.

Review/Approve Personal Use of Public Property and Funds Policy Amendments

Proposed amendments to the Personal Use of Public Property and Funds Policy were previously sent to the Board for review (see attachment number nine). Johnnie Miller explained that language was incorporated to meet the requirements of 11-57-103. Michael Wilkins made a motion to approve the amendments to the Personal Use of Public Property or Funds Policy as presented. Bob Stevenson seconded the motion, which passed unanimously.

Review/Approve Records Retention Policy Amendments

Amendments to the Records Retention Policy were previously sent to the Board for review (see attachment number 10). Sonya White explained that proposed amendments include definition of the Records Officer and adding language to the procedures to include that the CAO oversees annual training for the Records Officer. Michael Wilkins made a motion to approve the amendments to the Records Retention Policy as presented. William Cox seconded the motion, which passed unanimously.

Review/Approve Accounting Policy
Sonya White reviewed the draft Accounting Policy, that was previously sent to the Board for review (see attachment number 11). The purpose of the policy is to comply with fiscal procedures of an interlocal entity under the laws of the State of Utah. Victor Iverson made a motion to approve the Accounting Policy as presented. Craig Blake seconded the motion, which passed unanimously.

Review/Approve Budget Policy
Sonya White reviewed the draft Budget Policy, that was previously sent to the Board for review (see attachment number 12). The purpose of this policy is to outline the procedures and responsibilities of the Board relating to budget review and adoption. Michael Wilkins made a motion to approve the Budget Policy as presented. Sim Weston seconded the motion, which passed unanimously.

Review/Approve Late Contributions Policy
Sonya White reviewed the draft Late Contributions Policy, that was previously sent to the Board for review (see attachment number 13). Member obligations are outlined in the Bylaws of the Pool and the Board has approved a practice in handling late payments but UCIP management is recommending the procedures and responsibilities of the Board be outlined in policy. Bob Stevenson made a motion to approve the Late Contributions Policy as presented. Michael Wilkins seconded the motion, which passed unanimously.

Review/Approve Authority Delegated to the CEO Policy
Pages from the Seventh Amended Interlocal Cooperation Agreement and the draft Authority Delegated to the Chief Executive Officer Policy were previously sent to the Board for review (see attachments number 14 and 15). Johnnie Miller explained that the Interlocal Agreement states that the Board will delegate responsibilities to the CEO, by resolution. The purpose of this policy is to include handling day to day responsibilities and obtaining services of agents, attorneys, brokers, consultants, employees and service providers as necessary or appropriate for the operations of the Pool, and to represent the Members and the Board when legislation may adversely affect the shared goals of the Pool and jeopardize the Pool's shared assets or obligations. Victor Iverson made a motion to approve the Authority Delegated to the CEO Policy by Resolution (see attachment number 16) as presented. William Cox seconded the motion, which passed unanimously.

Review/Approve Board Elected and Appointed Positions Policy
Johnnie Miller reviewed the draft Board Elected and Appointed Positions Policy, previously sent to the Board for review (see attachment number 17). The Interlocal Agreement refers to having a policy in place for Board elected and appointed positions. This Policy has been developed using the Interlocal Agreement, the Bylaws and past practices. Kelly Sparks made a motion to approve the Board Elected and Appointed Positions Policy as presented. Sim Weston seconded the motion, which pass unanimously.

Set Date and Time for Closed Meeting
Bob Stevenson made a motion to set the date and time of a Closed Session to Discuss Character, Professional Competence, Physical/Mental Health of an Individual for August 17, 2023 at 2:34 p.m. William Cox seconded the motion, which passed unanimously. Board Members attending the closed meeting: Bruce Adams, William Cox, Michael Wilkins, Craig Blake, Victor Iverson, Kelly Sparks, Bob Stevenson, Sim Weston and David Tebbs. Board Members absent from the closed

meeting: Christopher Crockett, Gage Froerer, Greg Miles and Stan Summers. Officer present was Johnnie Miller.

The regular scheduled meeting resumed on August 17, 2023, at 2:37 p.m.

Action on Personnel Matters
William Cox made a motion to approve the recommendations of Johnnie Miller to raise UCIP Employee, Marty Stevens' annual salary to $72,000, effective July 1, 2023. Craig Blake seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting
William Cox made a motion to strike agenda item: *Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation.* Bob Stevenson seconded the motion, which passed unanimously.

Action on Litigation Matters
William Cox made a motion to strike agenda item: *Action on Litigation Matters*. Bob Stevenson seconded the motion, which passed unanimously.

Chief Executive Officer's Report
Johnnie Miller reported that the CRL Pool Board Governance Conference in Boise, ID in July was an excellent event for those that attended. Miller reported that an offer has been made and accepted by a candidate for the Senior Claims Specialist position and Lance Welch will begin employment on August 21, 2023 (see resume, attachment number 18).

Other Reports
The next meeting of the Board of Directors will be held Wednesday, October 25, 2023, at 12:30 p.m., at the UAC/UCIP offices, 5397 South Vine Street, Murray, UT.

Bruce Adams adjourned the Utah Counties Indemnity Pool Board of Directors Meeting at 2:50 pm. on August 17, 2023.

Prepared by: ______________________________

Aly Michale, UCIP Executive Administrative Specialist

Submitted on this _______ day of _____________ 2023

____

Michael W Wilkins, Secretary/Treasurer

Approved on this _______ day of _____________ 2023

____

Bruce Adams, President

Utah Counties Indemnity Pool

Transaction Detail by Account

August 18 - October 25, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
500-000000-10010100 ZionsMLC					
08/18/2023	Check	ACH	Garfield County	Claim: GAR0000152023	-7,065.67
08/24/2023	Check	ACH	Weber County	Claim: WEB0001942023	-67,659.57
08/24/2023	Check	ACH	Iron County	Claim: IRO0000622023	-1,743.91
08/24/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 325514	-3,808.85
08/24/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 320176	-4,118.30
08/24/2023	Bill Payment (Check)	ACH	Frontier Adjusters, Inc.	Invoice: T1068076	-938.00
08/24/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 325519	-11,428.50
08/24/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 325515	-2,118.50
09/01/2023	Check	ACH	Davis County	Claim: DAV0001252023	-4,658.93
09/01/2023	Check	BILLPAY	Jorgensen Ford, Inc.	Invoice: 4021645	-786.53
09/01/2023	Check	ACH	Tammie Stapp	Claim: WEB0001952023	-622.02
09/01/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 895463	-435.00
09/01/2023	Check	ACH	Box Elder County	Claim: BOX0000362023	-6,138.54
09/01/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 895468	-9,770.15
09/01/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01364	-2,975.32
09/01/2023	Check	ACH	Box Elder County	Claim: BOX0000262022	-67,608.37
09/01/2023	Check	ACH	Davis County	Claim: DAV0001192023	-9,740.48
09/01/2023	Check	BILLPAY	Flickinger & Sutterfield PC	Claim: WEB0005682020	-30,000.00
09/01/2023	Check	BILLPAY	Wilfrido Vazquez	Claim: WEB0006012023	-605.96
09/01/2023	Check	BILLPAY	Brett & Christine Prisbrey	Claim: BOX0000372023	-9,067.86
09/01/2023	Check	ACH	Davis County	Claim: DAV0000132023	-1,105.55
09/01/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01365	-3,493.50
09/01/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 895467	-5,455.86
09/01/2023	Check	ACH	Davis County	Claim: DAV0001262023	-3,421.01
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2733	-1,438.00
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2735	-3,537.00
09/11/2023	Bill Payment (Check)	ACH	Kunz PC	Invoice: 59	-5,776.00
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2737	-768.00
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2738	-7,113.52
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2734	-10,729.01
09/11/2023	Bill Payment (Check)	ACH	Kunz PC	Invoice: 61	-3,211.00
09/11/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 330129	-2,299.00
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2739	-7,885.52
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2742	-4,121.17
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2741	-4,890.63

Utah Counties Indemnity Pool

Transaction Detail by Account

August 18 - October 25, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
09/11/2023	Check	ACH	Box Elder County	Claim: BOX0000392023	-6,303.19
09/11/2023	Check	ACH	Robert Mills	Claim: WSW0000162023	-3,593.54
09/11/2023	Check	ACH	Christensen & Jensen	Claim: BEA0000742022	-125,000.00
09/11/2023	Check	ACH	Garfield County	Claim: GAR0000132023	-3,475.30
09/11/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2740	-5,726.27
09/11/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 330128	-6,727.50
09/11/2023	Bill Payment (Check)	ACH	Kunz PC	Invoice: 60	-6,460.00
09/11/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01369	-82,771.90
09/11/2023	Bill Payment (Check)	ACH	Kunz PC	Invoice: 62	-223.00
09/11/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01372	-25,295.75
09/15/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 328152	-10,066.49
09/15/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 328147	-2,213.50
09/15/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 328149	-2,318.00
09/15/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 328146	-2,593.50
09/15/2023	Check	BILLPAY	Enterprise Rent-A-Car Company of UT, LLC	Rental: 15NJZF	-5,528.16
09/15/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 328148	-2,414.50
09/22/2023	Check	BILLPAY	Enterprise Rent-A-Car Company of UT, LLC	Rental: 13VYM0	-3,825.28
09/22/2023	Check	ACH	Kimberly Anderson	Claim: BOX0000382023	-240.01
09/22/2023	Check	ACH	Shelby Nelson LLC	Claim: WEB0001932023	-9,487.68
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898900	-939.07
09/22/2023	Bill Payment (Check)	ACH	Frontier Adjusters, Inc.	Invoice: T1074291	-473.75
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898892	-16,951.34
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898896	-23,738.00
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898895	-1,545.00
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898893	-2,307.50
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898888	-3,300.00
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898894	-1,182.50
09/22/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 898901	-3,022.50
09/25/2023	Check	ACH	Wasatch Peaks Credit Union	Claim: WEB0001932023	-24,267.11
10/02/2023	Check	ACH	Southwest	Claim: SWU0000022023	-12,837.69
10/02/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01390	-5,254.00
10/02/2023	Check	BILLPAY	Enterprise Rent-A-	Rental: 9K0ZZ3	-1,192.63

Utah Counties Indemnity Pool

Transaction Detail by Account

August 18 - October 25, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
			Car Company of UT, LLC		
10/02/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01389	-1,511.33
10/02/2023	Check	BILLPAY	The Standard Fire Insurance Company	Claim: BOX0001362023	-3,000.00
10/02/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01391	-2,256.92
10/02/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01388	-2,012.50
10/02/2023	Check	BILLPAY	The Standard Fire Insurance Company	Claim: BOX0001352023	-3,000.00
10/06/2023	Check	ACH	Davis County	Claim: DAV0001282023	-36,215.00
10/06/2023	Check	ACH	Davis County	Claim: DAV0001212023	-755.40
10/06/2023	Check	ACH	Michelle Villarreal	Claim: WAT0000362023	-2,383.47
10/06/2023	Check	ACH	Joseph Crawford	Claim: WEB0006002023	-794.57
10/06/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2805	-4,382.00
10/06/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2803	-4,891.00
10/06/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2804	-3,496.00
10/06/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2801	-25,331.56
10/06/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2802	-2,705.50
10/06/2023	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 332888	-4,689.55
10/06/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01398	-10,230.51
10/06/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2800	-3,460.20
10/06/2023	Bill Payment (Check)	ACH	Kunz PC	Invoice: 66	-8,303.00
10/06/2023	Bill Payment (Check)	ACH	Kunz PC	Invoice: 68	-3,477.00
10/06/2023	Bill Payment (Check)	ACH	Suitter Axland	Invoice: 2799	-132.00
10/06/2023	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01399	-3,607.50
10/13/2023	Check	ACH	Beaver County	Claim: BEA0000322023	-5,606.03
10/13/2023	Check	ACH	Beaver County	Claim: BEA0000312023	-1,545.40
10/13/2023	Check	ACH	Moon Lake Electric Assn.	Claim: UIN0001622023	-3,654.74
10/18/2023	Check	ACH	WCPR	Claim: WCP0000012023	-4,858.90
10/18/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 904961	-9,682.91
10/18/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 904960	-6,433.02
10/18/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 895474	-5,333.82
10/18/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 904969	-7,265.00
10/18/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 904968	-1,472.50
10/18/2023	Check	ACH	Beaver County	Claim: BEA0000302023	-2,435.60
10/18/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 904964	-2,900.00
10/18/2023	Bill Payment	ACH	Dentons Durham	Invoice: 904967	-3,540.00

Utah Counties Indemnity Pool

Transaction Detail by Account

August 18 - October 25, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
	(Check)		Jones & Pinegar		
10/18/2023	Check	ACH	David Ames	Claim: IRO0000682023	-805.00
10/18/2023	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 904956	-4,900.00
Total for 500-000000-10010100 ZionsMLC					**$ - 894,877.82**
500-000000-10010100 ZionsMLE					
08/18/2023	Check	ACH	Public Employees Health Program	Account: AC-0000002101 (SEP)	-9,104.87
08/24/2023	Check	ACH	San Juan County	BA Board Meeting Reimbursement	-368.11
08/24/2023	Check	ACH	William Cox	Expense Reimbursement	-296.00
08/24/2023	Check	ACH	Craig Blake	Board Meeting Reimbursement	-203.05
08/24/2023	Check	ACH	Bob Stevenson	Board Meeting Reimbursement	-32.75
08/24/2023	Check	BILLPAY	Rich County	SW Board Meeting Reimbursement	-153.27
08/24/2023	Check	ACH	Davis County	KS Board Meeting Reimbursement	-34.06
08/24/2023	Check	ACH	Public Employees Health Program	Invoice: 0124006638	-547.40
08/24/2023	Check	BILLPAY	Mike Wilkins	Board Meeting Reimbursement	-226.63
08/24/2023	Check	ACH	Victor Iverson	Board Meeting Reimbursement	-326.19
08/29/2023	Check	ONLINE	Utah Retirement Systems	Confirmation: 082916428493	-16,931.79
08/29/2023	Bill Payment (Check)	ONLINE	US Bank	Confirmation: 4485594555657814	-3,126.50
08/31/2023	Tax Payment		UT State Tax Commission	Tax Payment for Period: 08/01/2023-08/31/2023 e-Check Payment confirmation number: 0-054-682-688	-2,471.24
08/31/2023	Payroll Check	DD	Alyssa Michale	Pay Period: 08/16/2023-08/31/2023	-1,659.93
08/31/2023	Tax Payment		IRS	Tax Payment for Period: 08/30/2023-09/01/2023 EFT ACKNOWLEDGEMENT NUMBER: 270364363476432	-7,605.85
08/31/2023	Payroll Check	DD	Marty L. Stevens	Pay Period: 08/31/2023-08/31/2023 Retroactive pay for July 1, 2023 - August 15, 2023	-575.77
08/31/2023	Payroll Check	DD	Korby M. Siggard	Pay Period: 08/16/2023-08/31/2023	-2,226.76
08/31/2023	Payroll Check	DD	Sonya J. White	Pay Period: 08/16/2023-08/31/2023	-3,221.51
08/31/2023	Payroll Check	DD	Lance Welch	Pay Period: 08/16/2023-08/31/2023 Due to the Quickbooks system, we had to pay you hourly for this pay period for the time worked. You will switch to salaried on the next paycheck.	-2,914.56
08/31/2023	Payroll Check	DD	Marty L. Stevens	Pay Period: 08/16/2023-08/31/2023	-2,650.17
08/31/2023	Payroll Check	DD	Danielle Davis	Pay Period: 08/16/2023-08/31/2023	-2,016.10
08/31/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 08/16/2023-08/31/2023	-2,000.00
08/31/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 08/16/2023-08/31/2023	-4,455.53
08/31/2023	Check	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-4,218.21
08/31/2023	Check	ACH	PEHP-LTD	Agency: 1076	-305.40
09/01/2023	Check	ACH	Alyssa Michale	Reimbursable Expenses (AUG)	-58.26
09/01/2023	Check	ACH	Danielle Davis	Reimbursable Expenses (AUG)	-65.50
09/11/2023	Check	ACH	Sonya J. White	Reimbursable Expenses (JUL)	-306.78
09/11/2023	Check	ACH	Sonya J. White	Reimbursable Expenses (AUG)	-14.41
09/15/2023	Payroll Check	DD	Korby M. Siggard	Pay Period: 09/01/2023-09/15/2023	-2,226.75
09/15/2023	Tax Payment		IRS	Tax Payment for Period: 09/13/2023-09/15/2023 EFT ACKNOWLEDGEMENT NUMBER: 270365814115306	-7,435.85
09/15/2023	Payroll Check	DD	Lance Welch	Pay Period: 09/01/2023-09/15/2023	-3,223.15
09/15/2023	Payroll Check	DD	Alyssa Michale	Pay Period: 09/01/2023-09/15/2023	-1,514.33
09/15/2023	Payroll Check	DD	Danielle Davis	Pay Period: 09/01/2023-09/15/2023	-1,861.77
09/15/2023	Payroll Check	DD	Marty L. Stevens	Pay Period: 09/01/2023-09/15/2023	-2,440.66
09/15/2023	Payroll Check	DD	Sonya J. White	Pay Period: 09/01/2023-09/15/2023	-3,221.51
09/15/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 09/01/2023-09/15/2023	-4,455.53
09/15/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 09/01/2023-09/15/2023	-2,000.00
09/22/2023	Check	ACH	Public Employees Health Program	Account: AC-0000002101 (OCT)	-13,561.94
09/22/2023	Check	ACH	Public Employees	Invoice 0124014530	-581.95

Utah Counties Indemnity Pool

Transaction Detail by Account

August 18 - October 25, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
			Health Program		
09/26/2023	Bill Payment (Check)	ONLINE	US Bank	4485594555657814	-4,868.84
09/27/2023	Check	ONLINE	Utah Retirement Systems	Confirmation: 09267305917	-18,189.32
09/29/2023	Payroll Check	DD	Lance Welch	Pay Period: 09/16/2023-09/30/2023	-3,128.77
09/29/2023	Tax Payment		IRS	Tax Payment for Period: 09/27/2023-09/29/2023 EFT ACKNOWLEDGEMENT NUMBER: 270367283609618	-7,277.89
09/29/2023	Tax Payment		UT State Tax Commission	Tax Payment for Period: 09/01/2023-09/30/2023 e-Check Payment confirmation number: 1-057-154-112	-2,612.30
09/29/2023	Check	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-4,218.21
09/29/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 09/16/2023-09/30/2023	-4,455.53
09/29/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 09/16/2023-09/30/2023	-2,000.00
09/29/2023	Payroll Check	DD	Marty L. Stevens	Pay Period: 09/16/2023-09/30/2023	-2,201.37
09/29/2023	Payroll Check	DD	Danielle Davis	Pay Period: 09/16/2023-09/30/2023	-1,687.06
09/29/2023	Payroll Check	DD	Sonya J. White	Pay Period: 09/16/2023-09/30/2023	-3,221.52
09/29/2023	Payroll Check	DD	Alyssa Michale	Pay Period: 09/16/2023-09/30/2023	-1,368.76
09/29/2023	Payroll Check	DD	Korby M. Siggard	Pay Period: 09/16/2023-09/30/2023	-2,226.76
10/02/2023	Check	ACH	PEHP-LTD	Agency: 1076	-319.74
10/02/2023	Check	ACH	Johnnie R. Miller	Expense Reimbursement (AUG)	-63.96
10/02/2023	Check	ACH	Korby M. Siggard	Expense Reimbursement (SEP)	-467.97
10/02/2023	Check	ACH	Johnnie R. Miller	Expense Reimbursement (SEP)	-415.74
10/02/2023	Check	ACH	Lance Welch	Expense Reimbursement (SEP)	-332.74
10/06/2023	Bill Payment (Check)	ACH	Kunz PC	Invoice: 64	-2,470.00
10/06/2023	Check	ACH	Marty L. Stevens	Reimbursable Expenses	-62.88
10/13/2023	Payroll Check	DD	Marty L. Stevens	Pay Period: 10/01/2023-10/15/2023	-2,201.36
10/13/2023	Tax Payment		IRS	Tax Payment for Period: 10/11/2023-10/13/2023 EFT ACKNOWLEDGEMENT NUMBER: 270368673422536	-7,315.55
10/13/2023	Bill Payment (Check)	ACH	Arthur J. Gallagher & Co.	Invoice: 4869992	-5,830.00
10/13/2023	Payroll Check	DD	Alyssa Michale	Pay Period: 10/01/2023-10/15/2023	-1,368.75
10/13/2023	Payroll Check	DD	Sonya J. White	Pay Period: 10/01/2023-10/15/2023	-3,221.52
10/13/2023	Payroll Check	DD	Danielle Davis	Pay Period: 10/01/2023-10/15/2023	-1,687.06
10/13/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 10/01/2023-10/15/2023	-4,417.93
10/13/2023	Payroll Check	DD	Johnnie R. Miller	Pay Period: 10/01/2023-10/15/2023	-2,000.00
10/13/2023	Payroll Check	DD	Lance Welch	Pay Period: 10/01/2023-10/15/2023	-3,112.82
10/13/2023	Payroll Check	DD	Korby M. Siggard	Pay Period: 10/01/2023-10/15/2023	-2,226.75
10/18/2023	Check	ACH	Kristin VanOrman	UPC Reimbursement	-357.63
Total for 500-000000-10010100 ZionsMLE					**$ -205,968.77**

Utah Counties Indemnity Pool

FINANCIAL STATEMENTS

Quarter Ending September 30, 2023

Utah Counties Indemnity Pool

Third Quarter 2023 Financial Statements

To the Board of Directors:

I have compiled the accompanying, in-house prepared, unaudited account balances arising from cash transactions and from accrual transactions of the Utah Counties Indemnity Pool as of September 30, 2023 to the basic financial statements.

Sonya White
Chief Financial Officer
801-307-2113
sonya@ucip.utah.gov

Reviewed this ______ day of ____________, 2023

By: ____

UTAH COUNTIES INDEMNITY POOL
STATEMENT of NET POSITION
For the Quarter Ended September 30, 2023

	Sep 30, 2023	Dec 31, 2022	Sep 30, 2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 15,595,342	$ 13,370,821	13,549,357
Short-term investments	998,983	944,138	1,018,795
Accounts receivable	1,500	750	-
Prepaid expenses	1,714,399	572,484	1,336,483
Net pension asset	265,752	265,752	-
TOTAL CURRENT ASSETS	18,575,976	15,153,945	15,904,635
LONG TERM INVESTMENTS	2,473,579	2,703,549	2,694,991
CAPITAL CONTRIBUTIONS	2,515,498	2,515,498	3,594,267
PROPERTY AND EQUIPMENT	1,135	2,058	2,237
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	152,113	152,113	135,879
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 23,718,301	$ 20,527,164	$ 22,332,008
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Reserves for losses and loss adjustment expenses	$ 8,252,577	$ 8,252,577	$ 9,471,840
Accrued expenses	164,011	152,746	166,779
Contributions paid in advance	2,265,325	562,076	1,982,334
TOTAL CURRENT LIABILITIES	10,681,913	8,967,399	11,620,953
NONCURRENT LIABILITIES			
Net pension liability	-	-	23,610
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	360,855	360,855	173,806
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	11,042,768	9,328,254	11,818,369
NET POSITION			
Net investment in capital assets	529,241	529,241	529,241
Unrestricted	12,146,293	10,669,669	9,984,399
TOTAL NET POSITION	12,675,533	11,199,135	10,513,639
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 23,718,301	$ 20,527,389	$ 22,332,008

UTAH COUNTIES INDEMNITY POOL
STATEMENTS of REVENUES, EXPENSES, and CHANGES in NET POSITION
Quarter Ended September 30, 2023

	Sep 30, 2023	Budget	Over Budget	% of Budget
OPERATING INCOME				
Contributions	$ 6,795,974	9,061,299	(2,265,325)	75%
Investment Income	768,567	700,000	68,567	110%
Other Income	7,743	-	7,743	0%
TOTAL OPERATING INCOME	7,572,284	9,761,299	(2,189,015)	78%
UNDERWRITING EXPENSES				
Losses and Loss Adjustment Expenses	2,873,374	3,935,000	(1,061,626)	73%
Reinsurance Coverage	2,248,318	4,345,000	(2,096,682)	52%
TOTAL UNDERWRITING EXPENSES	5,121,693	8,280,000	(3,158,307)	62%
ADMINISTRATION EXPENSES				
Directors	20,779	55,000	(34,221)	38%
Depreciation	923	3,000	(2,077)	31%
Risk Management	23,389	80,000	(56,611)	29%
Public Relations	34,595	45,000	(10,405)	77%
Office	66,842	120,000	(53,158)	56%
Financial/ Professional Services	98,541	125,000	(26,459)	79%
Personnel	739,026	1,010,000	(270,974)	73%
TOTAL ADMINISTRATION EXPENSES	984,096	1,438,000	(453,904)	68%
TOTAL OPERATING EXPENSES	6,105,788			
NET OPERATING INCOME	1,466,496			
OTHER INCOME (EXPENSES)				
Change in Fair Value Investments	9,903			
Change in Fair Value Equity	-			
TOTAL OTHER EXPENSES	9,903			
CHANGE IN NET POSITION	1,476,399			
NET POSITION AT BEGINNING OF YEAR	11,199,135			
NET POSITION AT END OF QUARTER	$ 12,675,533			

UTAH COUNTIES INDEMNITY POOL
STATEMENT of CASH FLOWS
For the Quarter Ended September 30, 2023

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Contributions collected	$ 8,499,973	$ 8,173,415
Other fees collected	7,743	63,236
Reinsurance paid	(3,390,234)	(2,676,811)
Losses and loss expenses paid	(2,873,374)	(2,878,953)
Cash paid to employees	(727,761)	(799,250)
Other administrative expenses paid	(244,146)	(315,890)
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	1,272,201	1,565,747
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	173,850	(3,652,104)
Sale of investments	-	-
Investment income	778,470	1,319,334
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	952,320	(2,332,771)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,224,521	(767,024)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	13,370,821	14,137,845
CASH AND CASH EQUIVALENTS AT END OF QUARTER	$ 15,595,342	$ 13,370,821
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Change in net position	$ 1,476,399	$ 3,131,598
Adjustments to reconcile change in net position to net cash flows used by operating activities		
Depreciation	923	487
Interest on investments	(778,470)	(307,703)
Net outflows of resources relating to pension	-	(86,079)
Accounts receivable	750	750
Prepaid expenses	(1,141,916)	(157,897)
Reserves for loss and loss adjustment expenses	-	(1,219,263)
Accrued expenses	11,266	(38,369)
Contributions paid in advance	1,703,249	242,224
Total adjustments	(204,198)	(1,565,850)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,272,201	$ 1,565,747

Rate Sheet

Utah Counties Indemnity Pool

LOCAL GOVERNMENTS RISK POOL: Rate Renewal January 1, 2024 to December 31, 2024

CURRENT MEDICAL PLAN

Advantage Exclusive LGRP Traditional Option 2

	Single	Double	Family
Current	$630.46	$1,305.06	$1,765.28
New	$661.98	$1,370.30	$1,853.56

Renewal: 5.0%

Rx Option	A	B	C	D	G
Decrement	-0.9%	Current	-0.6%	-6.0%	-6.1%

Overall Medical Renewal: 5.0%

RENEWAL AND REBATE HISTORY	Plan Year Starting	Renewal	Total Rebate	Rebate as Percent of Premium	Effective Rate
	2020	2.7%	$2,179	2.6%	0.1%
	2021	5.4%	$1,830	2.1%	3.3%
	2022	5.4%	$1,243	1.6%	3.8%
	2023	5.9%			

CURRENT DENTAL PLAN

Preferred Dental Care (With Waiting Period)

	Single	Double	Family
Current	$49.06	$67.08	$101.52
New	$49.06	$67.08	$101.52

Renewal: 0.0%

Please talk to your PEHP Client Services representative about rates for alternative plan and network options.

Utah Retirement Systems
Preliminary Condensed Retirement Contribution Rate Guide
Fiscal Year July 1, 2024 - June 30, 2025

	Tier 1 DB System			Tier 1 Post Retired		Tier 2 - DB Hybrid System					Tier 2 - DC Plan				
	Contribution Reporting Fields Tier 1 2024-2025 RATES			Post Retired Employment after 6/30/2010 - NO 401(k)	Post Retired Employment before 7/1/2010		Contribution Reporting Fields Tier 2 2024-2025 RATES					Contribution Reporting Fields Tier 2 2024-2025 RATES			
	Employee	Employer	TOTAL	Amortization of UAAL**	Optional 401(k) Cap	Tier 2 Fund	Employee	Employer	401(k)	TOTAL	Tier 2 Fund	Employee	Employer	401(k)	TOTAL
Public Employees Contributory Retirement System															
11- Local Government	6.00	12.96	18.96	6.87	12.09	111	0.70	16.95	0.00	17.65	211	0.00	6.95	10.00	16.95
12- State and School [1]	6.00	17.20	23.20	11.75	11.45										
17- Higher Education	6.00	17.70	23.70	12.25	11.45										
Public Employees Noncontributory Retirement System															
15- Local Government	-	16.97	16.97	5.11	11.86	111	0.70	15.19	0.00	15.89	211	0.00	5.19	10.00	15.19
16- State and School [1]	-	21.69	21.69 *	9.44	12.25	112	0.70	19.52	0.00	20.22	212	0.00	9.52	10.00	19.52
18- Higher Education	-	22.19	22.19 *	9.94	12.25	117	0.70	20.02	0.00	20.72	217	0.00	10.02	10.00	20.02
Public Safety Contributory Retirement System															
Division A															
23- Other Division A With 2.5% COLA	12.29	22.29	34.58	11.27	23.31	122	4.73	25.35	0.00	30.08	222	0.00	11.35	14.00	25.35
Public Safety Noncontributory Retirement System															
Division A															
42- State With 4% COLA	-	40.85	40.85	17.96	22.89	122	4.73	32.04	0.00	36.77	222	0.00	18.04	14.00	32.04
43- Other Division A With 2.5% COLA	-	33.54	33.54	11.25	22.29	122	4.73	25.33	0.00	30.06	222	0.00	11.33	14.00	25.33
75- Other Division A With 4% COLA	-	35.21	35.21	12.41	22.80	122	4.73	26.49	0.00	31.22	222	0.00	12.49	14.00	26.49
48- Bountiful With 2.5% COLA	-	50.38	50.38	26.89	23.49	122	4.73	40.97	0.00	45.70	222	0.00	26.97	14.00	40.97
Division B															
44- Salt Lake City With 2.5% COLA	-	46.71	46.71	24.20	22.51	122	4.73	38.28	0.00	43.01	222	0.00	24.28	14.00	38.28
45- Ogden With 2.5% COLA	-	48.72	48.72	26.30	22.42	122	4.73	40.38	0.00	45.11	222	0.00	26.38	14.00	40.38
46- Provo With 2.5% COLA	-	42.23	42.23	19.61	22.62	122	4.73	33.69	0.00	38.42	222	0.00	19.69	14.00	33.69
47- Logan With 2.5% COLA	-	41.47	41.47	18.87	22.60	122	4.73	32.95	0.00	37.68	222	0.00	18.95	14.00	32.95
49- Other Division B With 2.5% COLA	-	32.57	32.57	9.95	22.62	122	4.73	24.03	0.00	28.76	222	0.00	10.03	14.00	24.03
76- Other Division B With 4% COLA	-	36.97	36.97	13.94	23.03	122	4.73	28.02	0.00	32.75	222	0.00	14.02	14.00	28.02
Firefighters' Retirement System															
Division A															
31- Division A	15.05	1.61	16.66	-	16.66	132	4.73	14.08	0.00	18.81	232	0.00	0.08	14.00	14.08
Division B															
32- Division B	16.71	4.34	21.05	-	21.05	132	4.73	14.08	0.00	18.81	232	0.00	0.08	14.00	14.08
Judges' Retirement System															
37- Judges' Noncontributory	-	45.76	45.76												

** Does not include the required 1.5% 401(k) contribution.*
*** Unfunded Actuarial Accrued Liability*
1 Public School Districts and Charter School rates are effective September 1, 2024 - August 31, 2025

UTAH COUNTIES INDEMNITY POOL
BUDGET

	Audited 2022	Revised Approved 2023	Tentative 2024
Revenue			
Contributions	7,930,441	$ 9,061,299	$ 10,415,494
Investments	307,703	700,000	
Other	63,236		
Total Income	**8,301,380**	**9,761,299**	**10,415,494**
Underwriting Expense			
Losses and Loss Adjustments	1,659,690	3,935,000	4,450,000
Reinsurance	2,518,914	4,345,000	4,174,091
Total Underwriting Expenses	**4,178,604**	**8,280,000**	**8,624,091**
Administration Expense			
Directors	31,059	55,000	55,000
Depreciation	487	3,000	1,000
Risk Management	49,899	80,000	80,000
Public Relations	28,996	45,000	45,000
Office	103,399	120,000	120,000
Financial/Professional	102,537	125,000	135,000
Personnel	674,802	1,010,000	900,000
Total Administrative Expenses	**991,179**	**1,438,000**	**1,336,000**
Total Operating Expense	**5,169,783**	**9,718,000**	**9,960,091**
Net Asset Management Fund	**$ 3,131,597**	**$ 43,299**	**$ 455,403**
Other Income (Expenses)			
Change in Fair Value Investments	(67,138)		
Change in Fair Value Equity	(1,078,769)		
Total Other Expenses	**(1,145,907)**		
Change in Net Position	**1,985,690**		

Utah Counties Indemnity Pool
Sonya White, Chief Financial Officer
5397 S Vine Murray, UT 84107-6757
sonya@ucip.utah.gov
801.307.2113

COVERAGE PART I PROPERTY

SECTION B TERMS

1. COVERAGE PROVIDED

The coverage under this COVERAGE PART I PROPERTY applies to Property described on the Schedule of Values or covered under the terms and conditions of the AUTOMATIC COVERAGE (NEWLY ACQUIRED), ERRORS AND OMISSIONS, or MISCELLANEOUS UNNAMED PROPERTY provisions, unless otherwise provided.

2. LIMIT OF COVERAGE

The **Pool's** maximum Limit of Coverage in a single **Occurrence** regardless of the number of **Members**, COVERED PROPERTIES, or coverages involved will not exceed:

$750,000,000

In the event of loss hereunder, the LIMITS OF LIABILITY shall be limited to the least of the following:

a. The actual adjusted amount of loss, less applicable deductible(s); or

b. 125% of the real and personal property values combined, inclusive of property in the open, for each reported Location. Location shall mean each individual line item reported on the latest statement of values on file with the Company. However, this limitation shall not apply to coverages provided within this COVERAGE PART I PROPERTY as respects to Property and Time Element coverage extensions where values for such are not reportable including, but not limited to, Demolition and Increased Cost of Construction, Debris Removal, Accounts Receivable, Valuable Papers and Records, Decontamination Expense and Extra Expense, et al., and as further described within this COVERAGE PART I PROPERTY.

c. The Limit of Liability shown on the **Member** schedule of values on file at the time of loss.

The terms and conditions of this COVERAGE PART I PROPERTY, including the ~~sublimits~~ Sublimits All Members below, constitute the **Pool's** Limit of Coverage as a whole for all **Members** and the Sublimits Per **Member** constitute the Pool's Limit of Coverage for any **Member**. The sublimits stated below are a part of, and do not increase, any Limit of Coverage of this COVERAGE PART I PROPERTY.

The following sublimits apply on a per **Occurrence** basis, unless otherwise stated.

Each sublimit stated in this policy applies as part of, and not in addition to, the overall **Addendum** limit for an **Occurrence** insured hereunder. Each sublimit is the maximum amount potentially recoverable for all covered loss, damage, expense, time element or other covered interest arising from or relating to that aspect of the **Occurrence**, including but not limited to type of property, construction, geographic area, zone, location, or peril.

If covered under this **Addendum**, any sublimit for Earthquake or Flood is the maximum amount potentially recoverable for all insured loss, damage, expense, time element or other insured interest arising from or relating to such an occurrence. All other sublimits are a part of, and do not increase the EARTHQUAKE or FLOOD sublimit.

Further, if FLOOD occurs in conjunction with an EARTHQUAKE, the FLOOD sublimit applies within and erodes the sublimit for that WINDSTORM, NAMED WINDSTORM, EARTHQUAKE or EARTH MOVEMENT.

When a sublimit is shown as applying as an annual aggregate, the **Pool's** maximum Limit of Coverage will not exceed such limit during any fiscal year of the **Pool** regardless of the number of **Members**, COVERED PROPERTIES and coverages involved.

The following sublimits apply to all losses regardless of the number of **Members**, COVERED PROPERTIES and coverages involved. Any sublimit for EARTHQUAKE and FLOOD is the maximum Limit of Coverage for all loss, damage, expense or TIME ELEMENT loss relating to such an **Occurrence**.

Sublimits All **Members**:	Sublimits Per **Member**:	
$25,000,000	$2,500,000	ACCOUNTS RECEIVABLE
$2,500,000	$250,000	ANIMALS USED FOR RESEARCH
$25,000,000	$5,000,000	AUTOMATIC COVERAGE (NEWLY ACQUIRED)
$10,000,000	$1,000,000	BUSINESS INCOME AND EXTRA EXPENSE COMBINED
$2,500,000	$250,000	CONTINGENT BUSINESS INCOME/CONTINGENT EXTRA EXPENSE
$1,000,000	$100,000	CONTINGENT TAX REVENUE INTERRUPTION
$25,000,000	$2,500,000	DEBRIS REMOVAL (lesser of 25% of property damage loss or the sublimit shown)
$5,000,000	$500,000	DECONTAMINATION COSTS
$25,000,000	$2,500,000	ELECTRONIC DATA AND MEDIA
$100,000,000	$50,000,000	EQUIPMENT BREAKDOWN, including:

Sublimits All **Members**:	Sublimits Per **Member**:	
$5,000,000	$500,000	Spoilage
$25,000,000	$2,500,000	Service Interruption
$10,000,000	$1,000,000	BUSINESS INCOME and Extra Expense
$5,000,000	$500,000	Expediting Expense
$1,000,000	$1,000,000	Hazardous Substance
$1,000,000	$500,000	Ammonia Contamination
$10,000,000	$1,000,000	ELECTRONIC DATA and MEDIA
$1,000,000	$100,000	CFC Refrigerants
$50,000,000	$50,000,000	Computer Equipment
$25,000,000	$2,500,000	ERRORS AND OMISSIONS
$2,500,000	$250,000	EVACUATION EXPENSE
$10,000,000	$1,000,000	EXPEDITING EXPENSE
$10,000,000	$1,000,000	EXTENDED PERIOD OF INDEMNITY –lesser of the actual loss sustained for 180 consecutive days or the limit shown.
$100,000,000	$10,000,000	FLOOD—Per **Occurrence** and Annual Aggregate as respects all COVERED PROPERTIES not situated wholly or partially within **Special Flood Hazard Areas**
$20,000,000	$1,000,000	FLOOD—Per **Occurrence** and Annual Aggregate as respects all COVERED PROPERTIES situated wholly or partially within **Special Flood Hazard Areas**
$25,000,000	$2,500,000	INCREASED COST OF CONSTRUCTION
$25,000,000	$2,500,000	INGRESS/EGRESS
$2,500,000	$250,000	INSECT, ANIMAL AND VERMIN DAMAGE to **Mobile Equipment** and **Vehicles**
$25,000,000	$2,500,000	INTERRUPTION BY CIVIL AUTHORITY

Sublimits All **Members**:	Sublimits Per **Member**:	
$2,500,000	$100,000	LAND AND WATER CONTAMINANT OR POLLUTANT CLEANUP, REMOVAL AND DISPOSAL—subject to a $5,000,000 all **Member** Annual Aggregate and a $500,000 per **Member** Annual Aggregate
$2,500,000	$100,000	LANDSCAPING—subject to $15,000 any one shrub or tree caused by or resulting from a DEFINED PERIL
$25,000,000	$2,500,000	LEASEHOLD INTEREST
$25,000,000	$2,500,000	MISCELLANEOUS UNNAMED COVERED PROPERTIES
$10,000,000	$1,000,000	MOLD Resulting from a DEFINED PERIL—subject to a $25,000,000 All **Member** Annual Aggregate and a $2,500,000 Per **Member** Annual Aggregate
$1,000,000	$10,000	PERSONAL PROPERTY of officers and employees of the **Member** while acting within the scope of duties on behalf of the **Member**
$1,000,000	$10,000	PERSONAL PROPERTY of law enforcement, EMS and fire department employees, including volunteer law enforcement, volunteer EMS and volunteer fire department personnel while acting within the scope of duties on behalf of the **Member**
$5,000,000	$500,000	PROOF OF LOSS PREPARATION FEES AND EXPENSES
$25,000,000	$2,500,000	PROPERTY IN THE COURSE OF CONSTRUCTION and SOFT COSTS—any one COVERED PROPERTY
$25,000,000	$2,500,000	SERVICE INTERRUPTION—PROPERTY DAMAGE and TIME ELEMENT Combined
$2,500,000	$2,500,000	TRANSIT—PROPERTY DAMAGE and TIME ELEMENT combined—per conveyance
$10,000,000	$2,500,000	UNSCHEDULED FINE ARTS—Subject to a maximum of $250,000 per item
$2,500,000	$250,000	UNSCHEDULED TUNNELS, BRIDGES, ~~AIRPORT RUNWAYS~~ AND DAMS (defined perils only excluding coverage for the perils of EARTH MOVEMENT and FLOOD)

Sublimits All **Members**:	Sublimits Per **Member**:	
$2,500,000	$500,000	UNSCHEDULED WATERCRAFT
$2,500,000	$250,000	UNSCHEDULED WHARVES, PIERS, DOCKS, PILINGS AND BULKHEADS~~ subject to $500,000 any one Wharf, Pier, Dock, Piling or Bulkhead~~
$25,000,000	$2,500,000	VALUABLE PAPERS AND RECORDS

Time Limits

30 Day Period	Interruption by Civil Authority
30 Day Period	Ingress/Egress
180 Day Period	Extended Period of Indemnity

3. CONTRIBUTION

The coverage under this COVERAGE PART I PROPERTY is provided in consideration of the annual contribution as approved by the **Pool** Board of Directors.

4. VALUE REPORTING PROVISIONS

The **Member** has provided the **Pool**, 100% **Replacement Cost** values by COVERED PROPERTY. A **Member** shall be considered in compliance with this VALUE REPORTING PROVISION regarding the value of buildings if the **Member** agrees to schedule the value of buildings at a value documented by a certified appraiser engaged by the **Pool** to determine building values with annual adjustments made to the value by the **Pool**. Compliance with the VALUE REPORTING PROVISION through use of the **Pool** appraised values and annual adjustments will suspend the co-insurance penalty outlined in PART I. D. 3. (l) *(ix)*.

5. WAITING PERIOD

For purposes of applying Service Interruption, Civil Authority and Ingress/Egress coverage, the WAITING PERIOD is twenty-four (24) hours.

6. DEDUCTIBLES

In each case of loss covered by this COVERAGE PART I PROPERTY, the **Pool** will be liable only if the **Member** sustains a loss in a single **Occurrence** greater than the underlying limit or the applicable deductible specified below, and only for its share of that greater amount.

a. All Perils Other Than FLOOD:

(i) COVERED PROPERTY, other than **Mobile Equipment** and **Vehicles**, $500.

(ii) Mobile Equipment $500.

(iii) Vehicles $1,000.

b. FLOOD

Property consisting of **Vehicles** and **Mobile Equipment** shall not be subject to the **Special Flood Hazard Area** deductible detailed below.

As respects COVERED PROPERTY wholly or partially situated in a **Special Flood Hazard Area**, the following deductibles shall apply separately for loss from the peril of **Flood**, as covered and defined under the National Flood Insurance Program:

(i) For all coverages covered under this PART I PROPERTY, if the **Member** purchases coverage from the National Flood Insurance Program, the deductible shall be the greater of the amount recoverable from the National Flood Insurance Program or the **Actual Cash Value**, not to exceed $500,000. This deductible shall apply for each building or each structure for real property, and for contents at each building or each structure.

(ii) For all coverages covered under this PART I PROPERTY, if the **Member** does not purchase coverage from the National Flood Insurance Program, or the property is not eligible for coverage from the National Flood Insurance Program, or in the event the National Flood Insurance Program lapses or is discontinued, the deductible shall be $500,000 at each building or each structure for real property, $500,000 for contents at each building or each structure, and $500,000 each for any other COVERED PROPERTY.

(iii) If the community is participating in the Emergency Program under the National Flood Insurance Program, $500,000 as noted within paragraph *(i)* above is replaced with $100,000. If the COVERED PROPERTY is eligible for coverage in the Emergency Program, $500,000 as noted within paragraph *(ii)* above is replaced with $100,000.

However, these deductibles shall not apply to COVERED PROPERTY located outside of an area designated as a **Special Flood Hazard Area** nor to ensuing physical loss, or damage or destruction not otherwise excluded herein. Further, the deductibles described under paragraphs *(i), (ii)*, and *(iii)* above shall apply individually and supersede the "two or more deductible provision" under the Application of Multiple Deductibles of this COVERAGE PART I PROPERTY.

For all other FLOOD losses, the deductible shall be $1,000.

c. Application of Multiple Deductibles:

In the event of any **Occurrence** resulting in loss or damage covered under this PART I PROPERTY for which two or more deductibles apply, the total deductible shall not exceed the single largest deductible applicable to the **Occurrence**.

However, in any **Occurrence** where loss or damage is caused by more than one peril covered under this COVERAGE PART I PROPERTY, the **Pool** shall have the right to separate the loss amount by peril for the purposes of application of the deductible(s), notwithstanding the above reference to two or more deductibles.

7. PROPERTY COVERAGE TERRITORY

This COVERAGE PART I PROPERTY covers COVERED PROPERTY in The United States of America and Canada.

SECTION C PROPERTY DAMAGE

This COVERAGE PART I PROPERTY, subject to the terms, exclusions, limits and conditions contained herein or amended hereon, covers all risks of direct physical loss of or direct physical damage to the **Member's** PROPERTY as described herein, provided such loss or damage occurs during the Term of Coverage described in TERMS APPLICABLE TO ALL COVERAGE PARTS A.1.

1. COVERED PROPERTY(IES)

This COVERAGE PART I PROPERTY covers the following property, unless otherwise excluded elsewhere in this COVERAGE PART I PROPERTY, anywhere within the PROPERTY COVERAGE TERRITORY, to the extent of the interest of the **Member** in such property.

a. Real property, including but not limited to buildings, remodeling, installations and construction in which the **Member** has an insurable interest.

b. PERSONAL PROPERTY:

(i) Owned by the **Member**, including the **Member's** interest as a tenant in improvements and betterments. In the event of physical loss or damage, the **Pool** agrees to accept and consider the **Member** as sole and unconditional owner of improvements and betterments, notwithstanding any contract or lease to the contrary;

(ii) Of officers and employees of the **Member** other than **Mobile Equipment** and **Vehicles**, while acting within the scope of duties on behalf of the **Member**, at or within 100 feet of a real property covered above in 1.a. while such property is being held or used for the benefit of the **Member** with the **Member's** knowledge and consent;

(iii) Of law enforcement, EMS and fire department employees, including volunteer law enforcement, volunteer EMS and volunteer fire department personnel, within the COVERAGE TERRITORY while acting within the scope of duties on behalf of the **Member**.

(iv) Of others in the **Member's** custody to the extent the **Member** is under obligation to keep insured for physical loss or damage covered by this COVERAGE PART I PROPERTY; or

(v) Of others in the **Member's** custody to the extent of the **Member's** legal liability for physical loss or damage to personal property. The **Pool** will provide defense assistance to a **Member** for that portion of any suit against the **Member** that alleges such liability and seeks **Damages** for such covered physical loss or damage in accordance with the TERMS APPLICABLE TO ALL LIABILITY COVERAGE PARTS number 10 **DEFENSE JUDGMENT AND SETTLEMENT**. The **Pool** may, without prejudice, investigate, negotiate and settle any such **Claim** or suit as the **Pool** deems expedient.

(vi) **Mobile Equipment**, **Vehicles**, **Unmanned Aircraft Systems**, and watercraft owned or leased by the **Member**.

(vii) **Mobile Equipment** and **Vehicles** owned, leased, borrowed or rented by employees, officers and authorized volunteers or their family members, when such **Vehicles** are being used for the benefit of the **Member** and with the **Member's** knowledge and consent.

This COVERAGE PART I PROPERTY also covers the interest of contractors and subcontractors in COVERED PROPERTY during construction at a COVERED PROPERTY, to the extent of the **Member's** legal liability to insure physical loss or damage to such property. Such interest of contractors and subcontractors is limited to the property for which they have been hired to perform work and such interest will not extend to any TIME ELEMENT coverage provided under this COVERAGE PART I PROPERTY.

2. PROPERTY EXCLUDED

This COVERAGE PART I PROPERTY excludes:

a. Currency, money, precious metal in bullion form, notes, or securities.

b. Land, water or any other substance in or on land; except this exclusion does not apply to loss or damage caused by or resulting from a **Defined Peril** for the following items:

(i) Land improvements consisting of landscaping including trees and shrubs, tunnels, ~~airport runways,~~ piers, docks, pilings, bulkheads, wharves, piping, fiber optic cables and retaining walls, but not including any land beneath such property.

(ii) Pedestrian bridges (including golf cart bridges), and dams (including earthen dams), but not including coverage for the peril of **Flood**.

(iii) Pavements, sidewalks, parking lots, and culverts at a COVERED PROPERTY but not including roadways, highways, and streets.

(iv) Athletic fields including necessary materials, fill, and substrate beneath such fields.

(v) Water that is contained within any enclosed tank, piping system or any other processing equipment.

c. Animals (except ANIMALS HELD FOR RESEARCH).

d. Spacecraft, satellites, or aircraft except **Unmanned Aircraft Systems**.

e. Underground mines, mineshafts or caverns or any property within such mine, shaft or cavern.

f. Canals, offshore drilling rigs, or reservoirs.

g. Property sold by the **Member** under conditional sale, trust agreement, installment plan or other DEFERRED PAYMENT plan after delivery to customers except as provided by the DEFERRED PAYMENT Coverage of this COVERAGE PART I PROPERTY.

h. Overhead transmission and distribution lines located more than one mile from a COVERED PROPERTY.

i. Standing timber, growing crops, sod, grass, or greens and tees at golf courses.

j. Roadways, highways, streets, bridges and tunnels designed or used for vehicular travel, including guardrails and road signs.

k. Landfill original material (i.e. trash and debris), landfill liners or similar landfill barrier(s), natural or manmade.

l. Equipment used to produce power or gas primarily for distribution to third parties.

m. Davis County Event Center including all real property and personal property used to maintain or service the building.

3. ADDITIONAL COVERAGES

This COVERAGE PART I PROPERTY includes the following ADDITIONAL COVERAGES for physical loss or damage covered by the **Addendum**. These ADDITIONAL COVERAGES:

Are subject to the applicable limit of liability;

Will not increase the **Pool's** limit of liability; and

Are subject to the COVERAGE PART I PROPERTY provisions, including applicable exclusions and deductibles.

All as shown in this Section and elsewhere in this COVERAGE PART I PROPERTY.

a. ACCOUNTS RECEIVABLE

This COVERAGE PART I PROPERTY covers any shortage in the collection of ACCOUNTS RECEIVABLE, resulting from covered physical loss or damage to ACCOUNTS RECEIVABLE records while anywhere within the PROPERTY COVERAGE TERRITORY, including while in transit. The **Pool** will be liable for the interest charges on any loan to offset impaired collections pending repayment of such sum uncollectible as the result of such loss or damage. Unearned interest and service charges on DEFERRED PAYMENT accounts and **Normal** credit losses on bad debts will be deducted in determining the recovery.

(i) In the event of loss to ACCOUNTS RECEIVABLE Records, the **Member** will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding ACCOUNTS RECEIVABLE.

(ii) The **Member** agrees to use any suitable property or service:

(A) Owned or controlled by the **Member**; or

(B) Obtainable from other sources;

in reducing the loss under this ACCOUNTS RECEIVABLE Coverage.

(iii) This COVERAGE PART I PROPERTY covers any other necessary and reasonable costs incurred to reduce the loss; to the extent the losses are reduced.

(iv) If it is possible to reconstruct ACCOUNTS RECEIVABLE records so that no shortage is sustained, the **Pool** will be liable only for the reasonable and necessary cost incurred for material and time required to re-establish or reconstruct such records, and not for any costs covered by any other insurance or coverage.

(v) ACCOUNTS RECEIVABLE Exclusions: The following exclusions are in addition to the Exclusions clause of this Section and the General Exclusions of the **Addendum**:

(A) Bookkeeping, accounting or billing ERRORS OR OMISSIONS; or

(B) Alteration, falsification, manipulation; or

(C) Concealment, destruction or disposal;

of ACCOUNTS RECEIVABLE records under *(B)* and *(C)* committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.

(vi) The settlement of loss will be made within 90 days from the date of physical loss or damage. All amounts recovered by the **Member** on outstanding ACCOUNTS RECEIVABLE on the date of loss will belong and be paid to the **Pool** up to the amount of loss paid by the **Pool**. All recoveries exceeding the amount paid will belong to the **Member**.

b. ANIMALS USED FOR RESEARCH

The **Addendum** covers covered physical loss or damage to ANIMALS USED FOR RESEARCH.

As respects ANIMALS USED FOR RESEARCH, the following additional exclusions apply:
The **Addendum** excludes the following unless directly resulting from other physical damage not excluded by the **Addendum**:

(i) Death, destruction, or injury from natural causes.

(ii) Escape.

(iii) Sickness, disease, infection, infestation or illness.

(iv) Error or Omission in processing and/or failure on the part of the **Member** to provide nourishment, medicine or sanitary conditions.

(v) Contamination of animals, food or medicine.

c. AUTOMATIC COVERAGE

This COVERAGE PART I PROPERTY covers COVERED PROPERTY rented, leased, purchased, or newly constructed by the **Member** after the inception date of this COVERAGE PART I PROPERTY and within the PROPERTY COVERAGE TERRITORY.
This AUTOMATIC COVERAGE does not apply to:

(i) PROPERTY IN THE COURSE OF CONSTRUCTION;

(ii) Property covered under ERRORS AND OMISSIONS; or

(iii) Property insured in whole or in part by any insurance policy.

This coverage will apply until the date the COVERED PROPERTY is reported to the **Pool** or 120 days from the date of acquisition or completion of construction, whichever comes first.

d. BRANDS AND LABELS

If branded or labeled property covered by the **Addendum** is physically damaged and the **Pool** elects to take all or any part of that property, the **Member** may at the **Pool's** expense:

(i) Stamp "salvage" on the PROPERTY or its containers; or

(ii) Obliterate the brands or labels; if doing so will not damage the property.

In either event, the **Member** must re-label such property or its containers to be in compliance with any applicable law.

e. CONSEQUENTIAL REDUCTION IN VALUE

The **Addendum** covers the reduction in value of covered merchandise that is a part of pairs, sets or components, directly resulting from physical loss or damage covered by the **Addendum** to other covered parts of pairs, sets or components of such merchandise. If settlement is based on a constructive total loss, the **Member** will surrender the undamaged parts of such merchandise to the **Pool**.

f. DEBRIS REMOVAL

The **Addendum** covers the reasonable and necessary costs incurred to remove debris from a COVERED PROPERTY that remains as a direct result of physical loss or damage covered by the **Addendum**.

This DEBRIS REMOVAL Coverage does not cover the costs of removal of:

(i) Contaminated uncovered property; or

(ii) The contaminant in or on uncovered property; whether or not the contamination results from covered physical loss or damage. Contamination includes, but is not limited to, the presence of **Pollutants** or hazardous material.

g. DECONTAMINATION COSTS

If COVERED PROPERTY is contaminated as a direct result of physical damage covered by the **Addendum** and there is in force at the time of the loss any law or ordinance regulating CONTAMINATION, including but not limited to the presence of POLLUTANTS or hazardous material, then the **Addendum** covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated COVERED PROPERTY in a manner to satisfy such law or ordinance. This Additional Coverage applies only to that part of COVERED PROPERTY so contaminated as a direct result of covered physical damage.

The **Pool** is not liable for the costs required for removing contaminated uncovered property nor the contaminant therein or thereon, whether or not the contamination results from a covered event.

h. DEFERRED PAYMENTS

The **Addendum** covers covered physical loss or damage to personal property of the type covered, sold by the **Member** under a conditional sale or trust agreement or any installment or DEFERRED PAYMENT plan and after such property has been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

In the event of loss to property sold under DEFERRED PAYMENT plans, the **Member** will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding amounts due or to regain possession of the property.

There is no liability under the **Addendum** for loss:

(i) Pertaining to products recalled including, but not limited to, the costs to recall, test or to advertise such recall by the **Member**.

(ii) From theft or conversion by the buyer of the property after the buyer has taken possession of such property.

(iii) To the extent the buyer continues payments.

(iv) Not within the PROPERTY COVERAGE TERRITORY.

i. EARTH MOVEMENT

This COVERAGE PART I PROPERTY covers physical loss or damage caused by or resulting from **Earth Movement**.

j. ELECTRONIC DATA AND MEDIA

This COVERAGE PART I PROPERTY covers physical loss or damage to **Electronic Data and Media** while anywhere within the PROPERTY COVERAGE TERRITORY, including while in transit.

(i) This ELECTRONIC DATA AND MEDIA Coverage excludes~~ loss or damage to~~:

(A) ~~Property described below, if such property cannot be replaced with other of like kind and quality, unless specifically declared to the **Pool**;~~

(B) ~~Currency, money or securities;~~

(C) Property held as samples or for sale or for delivery after sale~~,~~ ; and

(ii) ~~Coverage under this ELECTRONIC DATA AND MEDIA, excludes:~~

(A) ERRORS OR OMISSIONS in processing, programming or copying unless physical damage not excluded by this COVERAGE PART I PROPERTY results, in which event, this coverage will cover only such resulting damage.

(B) ~~Deterioration, inherent vice, vermin or wear and tear; all unless physical damage not excluded by this coverage results, in which event, this coverage will cover only such resulting damage.~~

k. ERRORS AND OMISSIONS

If physical loss or damage is not payable under the **Addendum** solely due to an error or unintentional omission:

(i) In the description of where COVERED PROPERTY is physically located;

(ii) To include any COVERED PROPERTY:

(A) Owned, rented or leased by the **Member** on the effective date of the **Addendum**; or

(B) Purchased, rented or leased by the **Member** during the term of the **Addendum**; or

(iii) That results in cancellation of the property covered under the **Addendum**;

The **Addendum** covers such physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

This ERRORS AND OMISSIONS Coverage does not apply to PROPERTY IN THE COURSE OF CONSTRUCTION or property covered under AUTOMATIC COVERAGE.

It is a condition of this ERRORS AND OMISSIONS Coverage that any error or unintentional omission be reported by the **Member** to the **Pool** when discovered and corrected.

l. EXPEDITING COSTS

This COVERAGE PART I PROPERTY covers the reasonable and necessary costs incurred to pay for the temporary repair of covered damage to COVERED PROPERTY and to expedite the permanent repair or replacement of such damaged property.

This EXPEDITING COSTS Coverage does not cover costs:

(i) Recoverable elsewhere in this COVERAGE PART I PROPERTY; or

(ii) Of permanent repair or replacement of damaged property.

m. FINE ARTS

This COVERAGE PART I PROPERTY covers physical loss or damage to **Fine Arts** articles while anywhere within the PROPERTY COVERAGE TERRITORY, including while in transit.

(i) This FINE ARTS Coverage excludes loss or damage:

(A) ~~Loss or damage if~~ If the FINE ARTS cannot be replaced with other of like kind and quality~~, unless it is specifically declared to the **Pool**.~~; and

(B) ~~This COVERAGE PART I PROPERTY does not cover: Loss or damage from~~From any repairing, restoration or retouching process.

(ii) ~~The exclusions in the Exclusions clause of this Section do not apply to FINE ARTS coverage except for: 4.a.*(i)*; 4.a.*(ii)*; 4.b.*(i)*; 4.b.*(ii)*; 4.b.*(iii)(A)*; and 4.b.*(iv)*.~~

(A) ~~Deterioration, wear and tear or inherent vice;~~

(iii) **Fine Arts** objects, pairs or sets over $10,000 in value or any collection of **Fine Arts** over $250,000 at any one COVERED PROPERTY must be scheduled and are sublimited to the reported value, but do not increase the Aggregate per **Occurrence** sublimit shown in the Limits of Coverage.

n. FIRE BRIGADE CHARGES AND EXTINGUISHING EXPENSES

This COVERAGE PART I PROPERTY covers the following expenses resulting from a covered loss:

(i) Fire brigade charges and any extinguishing expenses that the **Member** incurs;

(ii) Loss and disposal of the fire extinguishing materials expended.

o. FLOOD

This COVERAGE PART I PROPERTY covers physical loss or damage caused by or resulting from FLOOD.

p. INCREASED COST OF CONSTRUCTION

(i) The **Addendum** covers the reasonable and necessary costs incurred, described in Item *(iii)* below, to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of buildings or structures at a COVERED PROPERTY, provided:

(A) Such law or ordinance is in force on the date of covered physical loss or damage; and

(B) Its enforcement is a direct result of such covered physical loss or damage; and

(ii) This INCREASED COST OF CONSTRUCTION Coverage does not cover any loss due to any law or ordinance with which the **Member** should have complied before the loss.

(iii) This INCREASED COST OF CONSTRUCTION Coverage, as respects the COVERED PROPERTY covered in Item *(i)* above, covers:

(A) The cost to repair or rebuild the physically damaged portion of such COVERED PROPERTY with materials and in a manner to satisfy such law or ordinance; and

(B) The cost:

(1) To demolish the physically undamaged portion of such COVERED PROPERTY covered; and

(2) To rebuild it with materials and in a manner to satisfy such law or ordinance;

to the extent that such costs result when the total demolition of the physically damaged COVERED PROPERTY is required to satisfy such law or ordinance.

(iv) This INCREASED COST OF CONSTRUCTION Coverage excludes any costs incurred as a direct or indirect result of enforcement of any laws or ordinances regulating any form of contamination including but not limited to the presence of POLLUTANTS or hazardous material.

(v) The **Pool's** maximum liability for this INCREASED COST OF CONSTRUCTION Coverage at each COVERED PROPERTY in any **Occurrence** will not exceed the actual cost incurred in demolishing the physically undamaged portion of the COVERED PROPERTY covered in Item *(i)* above plus the lesser of:

(A) The reasonable and necessary cost incurred, excluding the cost of land, in rebuilding on another site; or

(B) The cost of rebuilding on the same site.

If the coverage under this clause is subject to a sublimit, such sublimit shall only apply with respects to Item *(iii)(A)* above. Such sublimit shall not apply with respect to Item *(iii)(B)* above where coverage described therein shall be included within the **Addendum** limit.

q. LAND AND WATER CONTAMINANT OR POLLUTANT CLEANUP, REMOVAL AND DISPOSAL

This COVERAGE PART I PROPERTY covers the reasonable and necessary cost for the cleanup, removal and disposal of contaminants or POLLUTANTS from property not covered consisting of land, including water or any other substance in land, and water on land, at the COVERED PROPERTY if the release, discharge or dispersal of contaminants or POLLUTANTS is a direct result of covered physical loss or damage to COVERED PROPERTY.

This COVERAGE PART I PROPERTY does not cover the cost to cleanup, remove and dispose of contaminants or POLLUTANTS from such property:

(i) At any COVERED PROPERTY covered for PERSONAL PROPERTY only; or

(ii) When the **Member** fails to give written notice of loss to the **Pool** within 180 days after inception of the loss.

r. MISCELLANEOUS UNNAMED PROPERTY

This COVERAGE PART I PROPERTY covers the **Member's** interest in COVERED PROPERTY within the PROPERTY COVERAGE TERRITORY, which is not specifically on file, identified, or scheduled by the **Pool**. No coverage is provided under this MISCELLANEOUS UNNAMED PROPERTY on property while waterborne.

This MISCELLANEOUS UNNAMED PROPERTY does not cover any property covered or excluded under any other item of this COVERAGE PART I PROPERTY.

s. PROOF OF LOSS PREPARATION FEES AND EXPENSES

This COVERAGE PART I PROPERTY covers the actual costs incurred by the **Member**, of reasonable fees payable to the **Member's** accountants, architects, auditors, engineers, or other professionals and the cost of using the **Member's** employees, for producing and certifying any particulars or details contained in the **Member's** books or documents, or such other proofs, information or evidence required by the **Pool** resulting from a covered loss payable under this COVERAGE PART I PROPERTY for which the **Pool** has accepted liability.

Coverage will not include the fees and costs of attorneys, public adjusters, and loss appraisers, all including any of their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them.

t. PROPERTY IN THE COURSE OF CONSTRUCTION AND SOFT COSTS

This COVERAGE PART I PROPERTY covers projects in the course of construction.

This PROPERTY IN THE COURSE OF CONSTRUCTION AND SOFT COSTS does not apply to any project that the **Member** has agreed to waive subrogation rights against any other party for damage to the project.

This PROPERTY IN THE COURSE OF CONSTRUCTION AND SOFT COSTS also covers the necessary **Soft Costs**.

u. PROTECTION AND PRESERVATION OF PROPERTY

This COVERAGE PART I PROPERTY covers:

(i) Reasonable and necessary costs incurred for actions to temporarily protect or preserve COVERED PROPERTY, provided such actions are necessary due to actual, or to prevent immediately impending, covered physical loss or damage to such COVERED PROPERTY.

(ii) Reasonable and necessary includes, but is not limited to:

(A) Fire department firefighting charges imposed as a result of responding to a fire in, on or exposing the COVERED PROPERTY;

(B) Costs incurred of restoring and recharging fire protection systems following a covered loss; and

(C) Costs incurred for the water used for fighting a fire in, on or exposing the COVERED PROPERTY.

This PROTECTION AND PRESERVATION OF PROPERTY is subject to the deductible provisions that would have applied had the physical loss or damage occurred.

v. SERVICE INTERRUPTION PROPERTY DAMAGE

(i) This COVERAGE PART I PROPERTY covers physical loss or damage to COVERED PROPERTY when such physical loss or damage results from the interruption of the specified incoming or outgoing services consisting of electricity, telecommunications, gas, fuel, steam, water, refrigeration or from the lack of incoming or outgoing sewerage service by reason of physical loss or damage of the type covered to real and PERSONAL PROPERTY of the type covered to the facilities of the supplier of such service located within the PROPERTY COVERAGE TERRITORY, that immediately prevents in whole or in part the delivery of such usable service.

(ii) This SERVICE INTERRUPTION PROPERTY DAMAGE will apply when the **Period of Service Interruption** is in excess of the time shown as **Waiting Period** in the WAITING PERIOD clause of the SECTION A TERMS.

(iii) Additional General Provisions:

(A) The **Member** will immediately notify the suppliers of services of any interruption of such services.

(B) The **Pool** will not be liable if the interruption of such services is caused directly or indirectly by the failure of the **Member** to comply with the terms and conditions of any contracts the **Member** has for the supply of such specified services.

w. TERRORISM

This COVERAGE PART I PROPERTY covers physical loss or damage caused by or resulting from **Terrorism**.

x. TRANSIT

(i) This COVERAGE PART I PROPERTY covers the following COVERED PROPERTY within the PROPERTY COVERAGE TERRITORY, except as excluded by this ~~COVERAGE PART I PROPERTY~~**Addendum**, while in transit:

(A) Owned by the **Member** within the PROPERTY COVERAGE TERRITORY.

(B) Shipped to customers under F.O.B., C&F or similar terms. The **Member's** contingent interest in such shipments is admitted.

(C) Of others in the actual or constructive custody of the **Member** to the extent of the **Member's** interest or legal liability.

(D) Of others sold by the **Member** that the **Member** has agreed prior to the loss to cover during course of delivery.

(ii) This TRANSIT Coverage excludes:

(A) Samples in the custody of salespeople or selling agents.

(B) Property covered under import or export ocean marine insurance.

(C) Waterborne shipments, unless:

(1) By inland water; or

(2) By coastal shipments.

(D) Airborne shipments unless by regularly scheduled passenger airlines or air freight carriers.

(E) Property of others, including the **Member's** legal liability for it, hauled on vehicles owned, leased or operated by the **Member** when acting as a common or contract carrier.

(F) Any transporting vehicle.

(G) Property shipped between continents, except by land or air between Europe and Asia.

(iii) Coverage Attachment and Duration:

(A) This TRANSIT Coverage covers from the time the property leaves the original point of shipment for transit until the property arrives at destination.

(B) However, coverage on export shipments not covered under ocean cargo policies ends when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not covered under ocean cargo policies begins after discharge from overseas vessels or aircraft.

(iv) This TRANSIT Coverage:

(A) Covers general average and salvage charges on shipments covered while waterborne.

(B) Covers physical loss or damage caused by or resulting from:

(1) Unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts;

(2) Improper parties having gained possession of property through fraud or deceit.

(v) The exclusions in the Exclusion clause of this Section do not apply to TRANSIT coverage except for; 4.a.*(i)* through 4.a.*(iv)*, 4.b.*(i)* through 4.b.*(iv)*, 4.c.*(i)*, 4.c.*(iii)*, 4.c.*(v)*, 4.c. *(vi)*, 4.d.*(i)* and 4.d.*(ii)*.

(vi) Additional General Provisions

(A) This TRANSIT Coverage will not inure directly or indirectly to the benefit of any carrier or Bailee.

(B) The **Member** has permission, without prejudicing this coverage, to accept:

(1) Ordinary bills of lading used by carrier;

(2) Released bills of lading;

(3) Undervalued bills of lading; and

(4) Shipping or messenger receipts.

(C) The **Member** may waive subrogation against railroads under sidetrack agreements.

(D) Except as otherwise stated, the **Member** will not enter into any special agreement with carriers releasing them from their common law or statutory liability.

y. VALUABLE PAPERS AND RECORDS

This COVERAGE PART I PROPERTY covers physical loss or damage to VALUABLE PAPERS AND RECORDS and EDP MEDIA while anywhere within the PROPERTY COVERAGE TERRITORY, including while in transit.

(i) This VALUABLE PAPERS AND RECORDS Coverage excludes ~~loss or damage to~~:

(A) ~~Property described below, if such property cannot be replaced with other of like kind and quality, unless specifically declared to the **Pool**;~~

(B) ~~Currency, money or securities; and~~

(C) Property held as samples or for sale or for delivery after sale, and

(ii) ~~The exclusions in the Exclusions clause of this Section do not apply to VALUABLE PAPERS AND RECORDS except for; 4.a.*(i)* and 4.b.*(i)* to 4.b.*(iv)*. In addition, as respects VALUABLE PAPERS AND RECORDS the following exclusions apply:~~

(A) Errors or omissions in processing, programming or copying unless physical damage not excluded by this COVERAGE PART I PROPERTY results, in which event, this coverage will cover only such resulting damage.

(B) ~~Deterioration, inherent vice, vermin or wear and tear; all unless physical damage not excluded by this coverage results, in which event, this coverage will cover only such resulting damage.~~

4. EXCLUSIONS

The following exclusions apply unless specifically stated elsewhere in this COVERAGE PART I PROPERTY or by amendment hereto.

a. This COVERAGE PART I PROPERTY excludes:

(i) Indirect or remote loss or damage.

(ii) Interruption of business; except to the extent provided by this COVERAGE PART I PROPERTY.

(iii) Loss of market or loss of use.

(iv) Loss or damage or deterioration arising from any delay.

(v) Mysterious disappearance, loss or shortage disclosed on taking inventory for which the loss can be proven solely on the inventory records, or any unexplained loss.

(vi) Loss from enforcement of any law or ordinance:

(A) Regulating the construction, repair, replacement, use or removal, including debris removal, of any property; or

(B) Requiring the demolition of any property, including the cost in removing its debris;

except as provided by the DEBRIS REMOVAL, DECONTAMINATION COSTS and INCREASED COST OF CONSTRUCTION coverages of the PROPERTY DAMAGE Section of this COVERAGE PART I PROPERTY.

(vii) Loss from the accumulated effects of smog, smoke, vapor, liquid or dust.

b. This COVERAGE PART I PROPERTY excludes loss or damage directly or indirectly caused by or resulting from any of the following regardless of any other cause or event, whether or not covered under this COVERAGE PART I PROPERTY, contributing concurrently or in any other sequence to the loss:

(i) Nuclear reaction or nuclear radiation or radioactive contamination. However:

(A) If physical damage by fire or sprinkler leakage results, then only that resulting damage is covered; but not including any loss or damage due to nuclear reaction, radiation or radioactive contamination.

(B) This COVERAGE PART I PROPERTY does cover physical damage directly caused by sudden and accidental radioactive contamination, including resultant radiation damage, from material used or stored or from processes conducted on the COVERED PROPERTY, provided that on the date of loss, there is neither a nuclear reactor nor any new or used nuclear fuel on the COVERED PROPERTY.

(ii) Hostile or warlike action in time of peace or war, including:

(A) Action in hindering, combating or defending against an actual, impending or expected attack by any:

(1) Government or sovereign power (de jure or de facto); or

(2) Military, naval or air force; or

(3) Agent or authority of any party specified in (i) or (ii) above.

(B) Discharge, explosion or use of any nuclear device, weapon or material employing or involving nuclear fission, fusion or radioactive force, whether in time of peace or war and regardless of who commits the act.

(C) Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an event.

(D) Seizure or destruction under quarantine or custom regulation, or confiscation by order of any governmental or public authority.

(E) Risks of contraband, or illegal transportation or trade.

(iii) Any dishonest act, including but not limited to theft, committed alone or in collusion with others, at any time:

(A) By a **Member** or any proprietor, partner, director, trustee, officer, or employee of a **Member**; or

(B) By any proprietor, partner, director, trustee, or officer of any business or entity (other than a common carrier) engaged by a **Member** to do anything in connection with property covered under this COVERAGE PART I PROPERTY.

This COVERAGE PART I PROPERTY does cover acts of direct covered physical damage intentionally caused by an employee of a **Member** or any individual specified in *(B)* above and done without the knowledge of the **Member**. In no event does this COVERAGE PART I PROPERTY cover loss by theft by any individual specified in *(A)* or *(B)* above.

(iv) Lack of the following services:

(A) incoming or outgoing electricity, fuel, water, gas, steam, refrigerant;

(B) incoming or outgoing sewerage;

(C) incoming or outgoing telecommunications;

all when caused by an **Occurrence** off the COVERED PROPERTY, except as provided in SERVICE INTERRUPTION in the PROPERTY DAMAGE or TIME ELEMENT Section of this COVERAGE PART I PROPERTY. But, if the lack of such a service directly causes physical damage covered by this COVERAGE PART I PROPERTY on the COVERED PROPERTY, then only that resulting damage is covered.

(v) The unlawful possession, use, release, discharge, dispersal or disposal of any chemical or similar agent or matter regardless of who is responsible for the act and whether war has been declared or not, and regardless of any other cause or event contributing concurrently or in any other sequence thereto.

c. This COVERAGE PART I PROPERTY excludes the following, but, if physical damage not excluded by this COVERAGE PART I PROPERTY results, then only that resulting damage is covered:

(i) Faulty workmanship, material, construction or design from any cause.

(ii) Loss or damage to stock or material attributable to manufacturing or processing operations while such stock or material is being processed, manufactured, tested, or otherwise worked on.

(iii) Deterioration, depletion, rust, corrosion or erosion, wear and tear, inherent vice or latent defect.

(iv) Settling, cracking, shrinking, bulging, or expansion of foundations (including any pedestal, pad, platform or other property supporting machinery), floors, pavements, walls, ceilings or roofs.

(v) Changes of temperature damage (except to machinery or equipment); or changes in relative humidity damage; all whether atmospheric or not.

(vi) Insect, animal or vermin damage, except damage to **Mobile Equipment** and **Vehicles**.

d. This COVERAGE PART I PROPERTY excludes the following unless directly resulting from other physical damage not excluded by this COVERAGE PART I PROPERTY:

(i) Contamination including but not limited to the presence of **Pollutants** or hazardous material.

(ii) Shrinkage, changes in color, flavor, texture or finish.

(iii) Asbestos material defects, treatment, abatements or removal.

e. This COVERAGE PART I PROPERTY excludes the following, but, if physical damage results from a **Defined Peril**, then only that resulting damage is covered.

(i) Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility, including but not limited to Computer Virus. Computer Virus shall mean a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to “Trojan Horses”, “worms”, and “time or logic bombs”.

(ii) Any corruption, destruction, distortion, erasure or other loss or damage to data, software, or any kind of programming or instruction set.

(iii) Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing liability or failure of the **Member** to conduct business.

(iv) The failure of any of the following, whether owned by you or others:

(A) Data processing equipment, software, data, or media;

(B) Hardware or software based computer operating systems;

(C) Microprocessors;

(D) Integrated circuits; or

(E) Any other electronic equipment, computerized equipment, or similar devices; due to the inability of these items to correctly recognize, process, or accept one or more dates or times as their true calendar date or time.

(v) Fungus, mold(s), mildew or yeast; or any spores or toxins created or produced by or emanating from such fungus, mold(s), mildew or yeast:

(A) Fungus includes, but is not limited to, any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including mold(s), rusts, mildews, smuts and mushrooms;

(B) Mold(s) includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produce mold(s);

(C) Spores means any dormant or reproductive body produced by or arising or emanating out of any fungus, mold(s), mildew, plants, organisms or microorganisms.

SECTION C TIME ELEMENT

1. LOSS COVERED

a. This COVERAGE PART I PROPERTY covers TIME ELEMENT loss, as provided in the TIME ELEMENT coverage, directly resulting from physical loss or damage of the type covered by this COVERAGE PART I PROPERTY:

(i) To property described elsewhere in this COVERAGE PART I PROPERTY and not otherwise excluded by this COVERAGE PART I PROPERTY or otherwise limited in the TIME ELEMENT COVERAGES below; and

(ii) Used by the **Member**, or for which the **Member** has contracted use; and

(iii) Located at a COVERED PROPERTY or in the case of PERSONAL PROPERTY within the PROPERTY COVERAGE TERRITORY; and

(iv) While in transit as provided by this COVERAGE PART I PROPERTY; and

(v) During the Periods of Coverage described in this Section.

b. This COVERAGE PART I PROPERTY covers TIME ELEMENT loss only to the extent it cannot be reduced through:

(i) The use of any property or service owned or controlled by the **Member**;

(ii) The use of any property or service obtainable from other sources;

(iii) Working extra time or overtime; or

(iv) The use of inventory;

all whether at a COVERED PROPERTY or at any other property. The **Pool** reserves the right to take into consideration the combined operating results of all associated, affiliated or subsidiary entities of the **Member** in determining the TIME ELEMENT loss.

c. This COVERAGE PART I PROPERTY covers expenses reasonably and necessarily incurred by the **Member** to reduce the loss otherwise payable under this Section of this COVERAGE PART I PROPERTY. The amount of such recoverable expenses will not exceed the amount by which the loss has been reduced.

d. Except as respects LEASEHOLD INTEREST, in determining the amount of loss payable, the **Pool** will consider the experience of the business before and after and the probable experience during the PERIOD OF LIABILITY.

2. TIME ELEMENT COVERAGES

a. BUSINESS INCOME

(i) Measurement of Loss:

(A) The recoverable BUSINESS INCOME loss is the actual loss sustained by the **Member** of the following during the PERIOD OF LIABILITY:

(1) **Gross Earnings** including **Ordinary Payroll**;

(2) Less all charges and expenses that do not necessarily continue during the interruption of production or suspension of business operations or services;

(3) Plus, all other earnings derived from the operation of the business.

(B) In determining the indemnity payable as the actual loss sustained, the **Pool** will consider the continuation of only those **Normal** charges and expenses that would have been earned had no interruption of production or suspension of business operations or services occurred.

(C) There is recovery hereunder only to the extent that the **Member** is:

(1) Wholly or partially prevented from producing goods or continuing business operations or services;

(2) Unable to make up lost production within a reasonable period of time, not limited to the period during which production is interrupted;

(3) Unable to continue such operations or services during the PERIOD OF LIABILITY; and

(4) Able to demonstrate a loss of sales for the services or production prevented.

b. EXTRA EXPENSE

(i) Measurement of Loss:

The recoverable Extra Expense loss will be the reasonable and necessary extra costs incurred by the **Member** of the following during the PERIOD OF LIABILITY:

(A) Extra expenses to temporarily continue as nearly **Normal** as practicable the conduct of the **Member's** business; and

(B) Extra costs of temporarily using property or facilities of the **Member** or others;

less any value remaining at the end of the PERIOD OF LIABILITY for property obtained in connection with the above.

(ii) EXTRA EXPENSE Exclusions:

As respects EXTRA EXPENSE, the following are also excluded:

(A) Any loss of income.

(B) Costs that normally would have been incurred in conducting the business during the same period had no physical loss or damage occurred.

(C) Cost of permanent repair or replacement of property that has been damaged or destroyed.

(D) Any expense recoverable elsewhere in this COVERAGE PART I PROPERTY.

c. LEASEHOLD INTEREST

(i) Measurement of Loss:

The recoverable LEASEHOLD INTEREST loss is as follows:

(A) If the lease agreement requires continuation of rent; and if the property is wholly untenantable or unusable, the actual rent payable for the unexpired term of the lease; or if the property is partially untenantable or unusable, the proportion of the rent payable for the unexpired term of the lease.

(B) If the lease is canceled by the lessor pursuant to the lease agreement or by the operation of law; the **Lease Interest** for the first three months following the loss; and the **Net Lease Interest** for the remaining unexpired term of the lease.

(ii) LEASEHOLD INTEREST Exclusions: As respects to LEASEHOLD INTEREST, the TIME ELEMENT Exclusions a. b. and c. do not apply and the following applies instead:

This COVERAGE PART I PROPERTY does not cover any increase in loss resulting from the suspension, lapse or cancellation of any license, or from the **Member** exercising an option to cancel the lease; or from any act or omission of the **Member** that constitutes a default under the lease.

In addition, there is no coverage for the **Member's** loss of LEASEHOLD INTEREST directly resulting from damage to PERSONAL PROPERTY.

d. RENTAL COVERAGE

(i) Measurement of Loss:

The recoverable RENTAL COVERAGE loss is the actual loss sustained by the **Member** of the following during the PERIOD OF LIABILITY:

(A) The fair rental value of any portion of the property occupied by the **Member**;

(B) The income reasonably expected from rentals of unoccupied or unrented portions of such property; and

(C) The rental income from the rented portions of such property according to bona fide leases, contracts or agreements in force at the time of loss;

all not to include noncontinuing charges and expenses.

(ii) RENTAL COVERAGE Exclusions:

As respects RENTAL COVERAGE, TIME ELEMENT Exclusion a. does not apply and the following applies instead:

This **Addendum** does not cover any loss of rental income during any period in which the COVERED PROPERTY would not have been tenantable for any reason other than a covered loss.

e. CONTINGENT TAX REVENUE INTERRUPTION (EXCLUDING EARTHQUAKEAND FLOOD)

This COVERAGE PART I PROPERTY covers against loss resulting directly from necessary interruption of sales, property or other tax revenue collected by or due the **Member** caused by damage, or destruction by a peril not excluded from this COVERAGE PART I PROPERTY to property which is not operated by the **Member** and which wholly or partially prevents the generation of revenue for the account of the **Member**.

(i) In the event of such damage or destruction, the **Pool** shall cover, with limitations as indicated, if the following conditions *(A)* and *(B)* are both met:

(A) The total revenue is reduced to less than 97.5% of the **Member's** anticipated revenue had no loss occurred.

(B) The **Pool** shall cover the actual loss sustained for only the length of time as would be required with exercise of due diligence and dispatch to rebuild, replace or repair the contributing property commencing with the date of damage to the contributing property.

(ii) Deductible: Each loss or series of losses arising out of one event at each LOCATION shall be adjusted separately and from the aggregated amount of all such losses 2.5% of the annual revenue value shall be deducted.

3. TIME ELEMENT COVERAGE EXTENSIONS

a. CONTINGENT BUSINESS INTERRUPTION

This COVERAGE PART I PROPERTY covers the actual loss sustained and EXTRA EXPENSE incurred by the **Member** during the PERIOD OF LIABILITY:

(i) Directly resulting from physical loss or damage of the type covered; and

(ii) To property of the type covered,

at direct supplier or customer locations located within the PROPERTY COVERAGE TERRITORY.

The term “supplier or customer” does not include any company supplying to or receiving from the COVERED PROPERTY, as described elsewhere in this COVERAGE PART I PROPERTY, electricity, fuel, gas, water, steam, refrigeration, sewage or telecommunications.

b. EXTENDED PERIOD OF INDEMNITY

The BUSINESS INCOME and RENTAL COVERAGE coverages are extended to cover the reduction in sales resulting from:

(i) The interruption of business as covered by BUSINESS INCOME;

(ii) For such additional length of time as would be required with the exercise of due diligence and dispatch to restore the **Member's** business to the condition that would have existed had no loss occurred; and

(iii) The loss of rental income or rental value as covered by RENTAL COVERAGE; commencing with the date on which the coverage for loss resulting from interruption of business would terminate if this Extension had not been included herein.

EXTENDED PERIOD OF INDEMNITY Exclusions: As respects EXTENDED PERIOD OF INDEMNITY, the TIME ELEMENT Exclusion for increase in loss due to suspension, lapse of any lease, contract or license or order does not apply.

This COVERAGE PART I PROPERTY does not cover against any increase in loss due to fines or damages for breach of contract or for late or non-completion of orders, or penalties of any nature.

Coverage under this Extension for the reduction in sales due to contract cancellation will be limited to only those sales that would have been earned under the contract during the EXTENDED PERIOD OF INDEMNITY.

Coverage under this extension does not apply for more than the number of consecutive days shown in the LIMITS OF COVERAGE clause of the SECTION A TERMS.

c. INGRESS/EGRESS

This COVERAGE PART I PROPERTY covers the actual loss sustained and Extra Expense incurred by the **Member** due to the necessary interruption of the **Member's** business due to prevention of ingress to or egress from a COVERED PROPERTY, provided that such prevention is a direct result of physical damage of the type covered by this COVERAGE PART I PROPERTY, to the kind of property not excluded by this COVERAGE PART I PROPERTY, and which is located within five (5) statute miles of the COVERED PROPERTY incurring loss.

INGRESS/EGRESS Exclusions: As respects INGRESS/EGRESS, the following exclusions are applicable:

This COVERAGE PART I PROPERTY does not cover loss resulting from:

(i) Lack of incoming or outgoing service consisting of electric, fuel, gas, water, steam, refrigerant, sewerage and telecommunications.

(ii) Picketing or other action by strikers except for physical damage not excluded by this COVERAGE PART I PROPERTY.

This COVERAGE PART I PROPERTY does not provide coverage under this extension for more than the number of consecutive days shown in the LIMITS OF COVERAGE clause of the SECTION A TERMS.

d. INTERRUPTION BY CIVIL AUTHORITY

This COVERAGE PART I PROPERTY covers the actual loss sustained and Extra Expense incurred by the **Member** during the PERIOD OF LIABILITY when access to COVERED PROPERTIES is specifically prohibited by order of civil authority, provided such order is a direct result of actual loss or damage from a peril covered under this COVERAGE PART I PROPERTY to property of the type covered under this COVERAGE PART I PROPERTY which is located within five (5) statute miles of the COVERED PROPERTY to which access is prohibited.

This COVERAGE PART I PROPERTY does not provide coverage under this extension for more than the number of consecutive days shown in the LIMITS OF COVERAGE clause of the SECTION A TERMS .

e. ON PREMISES SERVICES

This PART I PROPERTY covers the actual loss sustained by the **Member** during the PERIOD OF LIABILITY directly resulting from physical loss or damage of the type covered to the following property located on the **Member's** PREMISES:

(i) Electrical and telecommunications equipment.

(ii) Electrical, telecommunications, fuel, gas, water, steam, refrigeration and sewerage transmission lines.

f. EVACUATION EXPENSE

In the case of actual or imminent loss or damage of the type covered against by this COVERAGE PART I PROPERTY, or a MANDATORY EVACUATION ORDER, this COVERAGE PART I PROPERTY will pay the expenses incurred by the **Member** for the emergency evacuation of patients, inmates, and juvenile detainees from a COVERED PROPERTY.

MANDATORY EVACUATION ORDER means the first public broadcast of a compulsory evacuation made by the responsible civil authority that is specific as to the effective date, time and area affected and which arises out of a peril for which coverage would have been provided if such peril had caused loss or damage to a COVERED PROPERTY. The MANDATORY EVACUATION ORDER must commence during the **Addendum** PERIOD. Recommended, advisory, precautionary, or voluntary evacuation is not included in the definition of MANDATORY EVACUATION ORDER.

This additional coverage does not apply to expenses incurred for: scheduled evacuation drills, fire or safety drills, or the evacuation of a patient due to a medical condition. This coverage also includes expenses incurred to return patients, inmates, and juvenile detainees to a COVERED PROPERTY.

g. PROTECTION AND PRESERVATION OF PROPERTY TIME ELEMENT

This COVERAGE PART I PROPERTY covers the actual loss sustained by the **Member** for the temporary PROTECTION AND PRESERVATION OF PROPERTY covered by this COVERAGE PART I PROPERTY provided such action is necessary to prevent immediately impending physical loss or damage covered by this COVERAGE PART I PROPERTY at such COVERED PROPERTY.

This extension is subject to the deductible provisions that would have applied had the physical loss or damage occurred.

h. RESEARCH AND DEVELOPMENT

The BUSINESS INCOME and Gross Profit coverages are extended to insure the actual loss sustained by the **Member** of continuing fixed charges and **Ordinary Payroll** directly attributable to the interruption of research and development activities that in themselves would not have produced income during the PERIOD OF COVERAGE.

The PERIOD OF COVERAGE for this TIME ELEMENT Coverage Extension will be the period from the time of direct physical loss or damage of the type covered by this COVERAGE PART I PROPERTY to the time when the property could be repaired or replaced and made ready for operations under the same or equivalent physical and operating conditions that existed prior to damage.

i. SERVICE INTERRUPTION TIME ELEMENT

(i) This COVERAGE PART I PROPERTY covers the actual loss sustained and Extra Expense incurred by the **Member** during the **Period of Service Interruption** at COVERED PROPERTY when the loss is caused by the interruption of incoming or outgoing services consisting of electricity, gas, fuel, steam, water, refrigeration or from the lack of incoming or outgoing sewerage service by reason of physical loss or damage of the type covered against to real and PERSONAL PROPERTY of the type covered to the facilities of the utility supplier of such service located within this PROPERTY COVERAGE TERRITORY, that immediately prevents in whole or in part the delivery of such usable services.

(ii) This extension will apply when the **Period of Service Interruption** is in excess of the time shown as **Waiting Period** in the WAITING PERIOD clause of the SECTION A TERMS.

(iii) Additional General Provisions:

(A) The **Member** will immediately notify the suppliers of services of any interruption of such services.

(B) The **Pool** will not be liable if the interruption of such services is caused directly or indirectly by the failure of the **Member** to comply with the terms and conditions of any contracts the **Member** has for the supply of such specified services.

4. PERIOD OF LIABILITY

a. The PERIOD OF LIABILITY applying to all TIME ELEMENT COVERAGES, except LEASEHOLD INTEREST and as shown below, or if otherwise provided under the TIME ELEMENT COVERAGE EXTENSIONS, is as follows:

(i) For building and equipment, the period:

(A) Starting from the time of physical loss or damage of the type covered against; and

(B) Ending when with due diligence and dispatch the building and equipment could be:

(1) Repaired or replaced; and

(2) Made ready for operations;

under the same or equivalent physical and operating conditions that existed prior to the damage.

(ii) For building and equipment under construction:

(A) The equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and startup would have been completed had no physical damage happened; and

(B) Due consideration will be given to the actual experience of the business compiled after completion of the construction and startup.

(iii) For stock-in-process and mercantile stock, including finished goods not manufactured by the **Member**, the time required with the exercise of due diligence and dispatch:

(A) To restore stock in process to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services; and

(B) To replace physically damaged mercantile stock.

This item does not apply to Rental Coverage.

(iv) For raw materials and supplies, the period of time:

(A) Of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but

(B) Limited to that period for which the damaged raw material and supplies would have supplied operating needs.

(v) If water:

(A) Used for any manufacturing purpose, including but not limited to as a raw material or for power;

(B) Stored behind dams or in reservoirs; and

(C) At any COVERED PROPERTY;

is released as the result of physical damage of the type covered under this COVERAGE PART I PROPERTY to such dam, reservoir or connected equipment, the **Pool's** liability due to inadequate water supply is limited to 30 consecutive days after the damaged dam, reservoir or connected equipment has been repaired or replaced.

This item does not apply to RENTAL COVERAGE.

(vi) For physically damaged exposed film, records, manuscripts and drawings, the time required to copy from backups or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

This item does not apply to RENTAL COVERAGE.

(vii) For physically damaged or destroyed data, programs or other software stored on electronic, electro-mechanical, electro-magnetic data processing or production equipment, the time to recreate or restore including the time for researching or engineering lost information.

This item does not apply to RENTAL COVERAGE.

(viii) If an order of civil authority prohibits access to the COVERED PROPERTY and provided such order is the direct result of physical damage of the type covered against under this COVERAGE PART I PROPERTY at the COVERED PROPERTY or within five statute miles of it, the period of time:

(A) Starting at the time of physical damage; but

(B) Not to exceed 30 consecutive days.

b. The PERIOD OF LIABILITY does not include any additional time due to the **Member's** inability to resume operations for any reason, including but not limited to:

(i) Making changes to equipment.

(ii) Making changes to the buildings or structures except as provided in the INCREASED COST OF CONSTRUCTION provision.

(iii) Re-staffing or retraining employees.

If two or more PERIODS OF LIABILITY apply such periods will not be cumulative.

5. TIME ELEMENT EXCLUSIONS

In addition to exclusion elsewhere in this COVERAGE PART I PROPERTY, the following exclusions apply to Time Element loss:

This COVERAGE PART I PROPERTY does not cover:

a. Any loss during any idle period, including but not limited to when production, operation, service or delivery or receipt of goods would cease, or would not have taken place or would have been prevented due to:

(i) Physical loss or damage not covered by this COVERAGE PART I PROPERTY on or off of the COVERED PROPERTY.

(ii) Planned or rescheduled shutdown.

(iii) Strikes or other work stoppage.

(iv) Any other reason other than physical loss or damage covered by this COVERAGE PART I PROPERTY.

b. Any increase in loss due to:

(i) Suspension, cancellation or lapse of any lease, contract, license or orders; or

(ii) Fines or damages for breach of contract or for late or noncompletion of orders; or

(iii) For penalties of any nature; or

(iv) Any other consequential or remote loss.

c. Any loss resulting from loss or damage to finished goods manufactured by the **Member**, nor the time required for their reproduction.

SECTION D LOSS ADJUSTMENT AND SETTLEMENT

1. LOSS ADJUSTMENTS/PAYABLE

Loss, if any, will be adjusted with and payable to the **Member** or as may be directed by the **Member**, to a lender, mortgagee and/or loss payee as their interests may appear in a contract entered into with the **Member** prior to loss.

2. CURRENCY FOR LOSS PAYMENT

Losses will be adjusted and paid in the currency of the United States of America.

3. VALUATION

Adjustment of the physical damage loss amount under this COVERAGE PART I PROPERTY will be computed as of the date of loss at the COVERED PROPERTY, and for no more than the interest of the **Member**, subject to the following:

a. On stock in process, the value of raw materials and labor expended plus the proper proportion of overhead charges.

b. On finished goods manufactured by the **Member**, the regular cash selling price at the COVERED PROPERTY where the loss happens, less all discounts and charges to which the finished goods would have been subject had no loss happened.

c. On raw materials, supplies and other merchandise not manufactured by the **Member**:

(i) If repaired or replaced, the actual expenditure incurred in repairing or replacing the damaged or destroyed property; or

(ii) If not repaired or replaced, the **Actual Cash Value**.

d. On property covered under DEFERRED PAYMENTS, the lesser of the:

(i) Total amount of unpaid installments less finance charges;

(ii) **Actual Cash Value** of the property at the time of loss; or

(iii) Cost to repair or replace with material of like size, kind and quality.

e. On **Fine Arts** articles, the lesser of:

(i) The reasonable and necessary cost to repair or restore such property to the physical condition that existed on the date of loss;

(ii) Cost to replace the article; or

(iii) Current market value at the time of loss.

(iv) The value reported for such property on the latest statement of values on file with the **Pool**.

In the event a **Fine Arts** article is part of a pair or set, and a physically damaged article cannot be replaced, or repaired or restored to the condition that existed immediately prior to the loss, the **Pool** will cover the lesser of the full value of such pair or set or the amount designated on the schedule. The **Member** agrees to surrender the pair or set to the **Pool**.

f. On VALUABLE PAPERS AND RECORDS and ELECTRONIC DATA AND MEDIA:

On data, programs or software stored on electronic, electro-mechanical, or electro-magnetic data processing or production equipment:

(i) The cost to repair, replace or restore data, programs or software including the costs to recreate, research and engineer;

(ii) If not repaired, replaced or restored within two years from the date of loss, the blank value of the media.

g. On all other VALUABLE PAPERS AND RECORDS and ELECTRONIC DATA AND MEDIAL, the lesser of the following:

(i) The cost to repair or restore, including the cost to recreate, research and engineer the item to the condition that existed immediately prior to the loss;

(ii) The cost to replace the item

h. On **Mobile Equipment**, **Vehicles**, **Unmanned Aircraft Systems** and watercraft:

(i) The cost to repair or replace an owned~~If a~~ **Vehicle** ~~owned by the Member~~with a new **Vehicle** of like kind and quality at the time of loss, if ~~and~~ less than or equal to two years from December 31 of the model year~~, the lesser of the cost to repair or replace the property with new property of like kind and quality at the time of loss~~.

(ii) If owned or leased by the **Member**, the lesser of the **Actual Cash Value** at the time of loss or the cost to repair or replace.

(iii) If not repaired or replaced and the salvage is surrendered to the **Pool**, the **Actual Cash Value**.

(iv) On **Mobile Equipment** and **Vehicles** covered under Section B. 1. b. (vi) of this COVERAGE PART I PROPERTY, the lesser of:

(A) The actual cost incurred by the owner to repair or replace;

(B) The Actual Cash Value at the time of loss;

(C) The amount of any physical damage deductible under the owners insurance policy; or

(D) Five hundred dollars ($500).

i. On REPRODUCTION COST PROPERTY, valuation will be based upon the following requirements:

(i) To qualify as a REPRODUCTION COST PROPERTY, the **Member** shall provide written notice to the **Pool**, which specifically identifies where the property is located, when it was built, its total square footage with an attached appraisal based upon reproduction value that was conducted within the past five years.

(ii) At the time of loss, the basis of valuation for REPRODUCTION COST PROPERTY, when the **Member** has not complied, will be **Replacement Cost** as described in l. below. Where the **Member** has complied with the requirements, the basis of valuation will be **Reproduction Cost**, or if not replaced, at **Actual Cash Value**.

j. On property in transit:

(i) Property shipped to or for the account of the **Member** will be valued at actual invoice to the **Member**. Included in the value are accrued costs and charges legally due. Charges may include the **Member's** commission as selling agent.

(ii) Property sold by the **Member** and shipped to or for the purchaser's account will be valued at the **Member's** selling invoice amount. Prepaid or advanced freight costs are included.

(iii) Property not under invoice will be valued at the actual cash market value at the destination point on the date of **Occurrence**, less any charges saved which would have become due and payable upon arrival at destination.

k. On **Vacant** Property:

(i) If the building or leased premises has been **Vacant** for a period of more than 90 consecutive days before the loss or damage occurs, the **Pool** will not pay for any loss or damage caused by any of the following:

(A) Vandalism.

(B) Sprinkler leakage.

(C) Building glass breakage.

(D) Water damage.

(E) Theft, or attempted theft.

(ii) With respect to direct physical loss or damage, other than from causes listed in *(i)(A)* through *(i)(E)* above, and not otherwise excluded by this COVERAGE PART I PROPERTY the **Pool** will reduce the amount the **Pool** would otherwise pay for the loss or damage by 15%.

l. On all other property, the loss amount will not exceed the lesser of the following:

(i) The cost to repair;

(ii) The cost to rebuild or replace on the same site with new materials of like size, kind and quality;

(iii) The cost in rebuilding, repairing or replacing on the same or another site, but not to exceed the size and operating capacity that existed on the date of loss;

(iv) The selling price of real property or machinery and equipment, other than stock, offered for sale on the date of loss;

(v) The cost to replace unrepairable electrical or mechanical equipment, including computer equipment, with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of system enhancement;

(vi) The increased cost of demolition, if any, resulting from loss covered by this COVERAGE PART I PROPERTY, if such property is scheduled for demolition;

(vii) The unamortized value of improvements and betterments, if such property is not repaired or replaced at the **Member's** expense; or

(viii) The **Actual Cash Value** if such COVERED PROPERTY is:

(A) Useless to the **Member**;

(B) Not repaired, replaced or rebuilt on the same or another site within two years from the date of loss; or

(C) Scheduled with the **Pool**, at **Actual Cash Value** for contribution calculation purposes.

The **Member** may elect not to repair or replace the COVERED PROPERTY lost, damaged or destroyed. Loss settlement may be elected on the lesser of repair or **Replacement Cost** basis if the proceeds of such loss settlement are expended on other capital expenditures related to the **Member's** operations within two years from the date of loss. As a condition of collecting under this item, such expenditure must be unplanned as of the date of loss and be made at a COVERED PROPERTY under this COVERAGE PART I PROPERTY. This item does not extend to INCREASED COST OF CONSTRUCTION.

(ix) The **Pool** will not pay the full amount of any loss if the value of the COVERED PROPERTY at the time of the loss times the percentage required in the VALUE REPORTING PROVISION of this COVERAGE PART I PROPERTY is greater than the amount the COVERED PROPERTY is valued at on the **Pool** schedules at the time of loss. Instead, we will determine the most we will pay using the following steps:

(A) Multiply the value of the COVERED PROPERTY at the time of loss by the percentage required in the VALUE REPORTING PROVISION of this PART I PROPERTY;

(B) Divide the amount the COVERED PROPERTY was valued at on the **Pool** schedules at the time of loss by the figure determined in step (A);

(C) Multiply the total amount of loss, before the application of any deductible, by the figure determined in step (B); and

(D) Subtract the deductible from the figure determined in step (C).

(E) The **Pool** will pay the amount determined in step (D) or the amount the COVERED PROPERTY was valued at on the **Pool** schedules at the time of loss, whichever is less.

4. LOSS CONDITIONS

a. Requirements in Case of Loss

The **Member** will:

(i) Give written notice to the **Pool** of any loss as soon as practicable.

(ii) Protect the property from further loss or damage.

(iii) Promptly separate the damaged and undamaged property; put it in the best possible order; and furnish a complete inventory of the lost, destroyed, damaged and undamaged property showing in detail the quantities, costs, **Actual Cash Value**, replacement value and amount of loss claimed.

(iv) Give a signed and sworn PROOF OF LOSS to the **Pool** within 90 days after the loss, unless that time is extended in writing by the **Pool**. The PROOF OF LOSS must state the knowledge and belief of the **Member** as to:

(A) The time and origin of the loss;

(B) The **Member's** interest and that of all others in the property;

(C) The **Actual Cash Value** and replacement value of each item and amount of loss to each item; all encumbrances; and all other contracts of insurance, whether valid or not, covering any of the property;

(D) Any changes in the title, use, occupation, location, possession or exposures of the property since the effective date of this COVERAGE PART I PROPERTY; and

(E) By whom and for what purpose any COVERED PROPERTY was occupied on the date of loss, and whether or not it then stood on leased ground.

(v) Include a copy of all the descriptions and schedules in all policies and, if required, provide verified plans and specifications of any buildings, fixtures, machinery or equipment destroyed or damaged.

(vi) Further, the **Member** will as often as may be reasonably required:

(A) Exhibit to any person designated by the **Pool** all that remains of any property;

(B) Submit to examinations under oath by any person designated by the **Pool** and sign the written records of examinations; and

(C) Produce for examination at the request of the **Pool**:

(1) All books of accounts, business records, bills, invoices and other vouchers; or

(2) Certified copies if originals are lost;

at such reasonable times and places that may be designated by the **Pool** or its representative and permit extracts and machine copies to be made.

b. **Pool** Option

The **Pool** has the option to take all or any part of damaged Personal Property at the agreed or appraised value. The **Pool** must give notice to the **Member** of its intention to do so within 30 days after receipt of PROOF OF LOSS.

c. Abandonment

There may be no abandonment of any property to the **Pool**.

d. Subrogation

The **Member** is required to cooperate in any subrogation proceedings. The **Pool** may require from the **Member** an assignment or other transfer of all rights of recovery against any party for the loss to the extent of the **Pool's** payment.

The **Pool** will not acquire any rights of recovery that the **Member** has expressly waived prior to a loss in writing, nor will such waiver affect the **Member's** rights under this COVERAGE PART I PROPERTY~~ except as they relate to PROPERTY UNDER THE COURSE OF CONSTRUCTION~~. Any recovery from subrogation proceedings, less costs incurred by the **Pool** in such proceedings, will be payable to the **Member** in the proportion that the amount of any applicable deductible bears to the entire covered loss amount.

e. Appraisal of Loss Procedure

The appraisal process is available to determine the value of a covered loss but is not available to determine whether a loss is covered. If the **Member** and the **Pool** fail to agree on the amount of loss, each will, on the written demand of either, select a competent and disinterested appraiser, but only after:

(i) The **Member** has fully complied with all provisions of the **Addendum**, including REQUIREMENTS IN CASE OF LOSS; and

(ii) The **Pool** has received a signed and sworn PROOF OF LOSS from the **Member**.

Each will notify the other of the appraiser selected within 30 days of such demand.

The appraisers will first select a competent and disinterested umpire. If the appraisers fail to agree upon an umpire within 30 days, the **Member** and the **Pool** shall jointly move to have an umpire selected by a judge of a court of record in the jurisdiction in which the appraisal is pending. The appraisers will then identify each item of physical damage or loss and appraise the amount of loss. The appraisal shall include a detailed breakdown of the costs necessary to repair or replace the item and shall state separately the **Actual Cash Value** and **Replacement Cost** value as of the date of loss and the amount of loss, for each item of physical loss or damage or if, for TIME ELEMENT loss, the amount of loss for each TIME ELEMENT coverage of this COVERAGE PART I PROPERTY.

If the appraisers fail to agree, they will submit their differences to the umpire. The umpire shall review the appraisals prepared by the appraisers selected by the **Member** and the **Pool** and shall inspect the property prior to preparing his appraisal. The appraisers for the **Member** and the **Pool** shall be afforded the opportunity to attend the umpire's inspection of the property and provide sufficient input to allow the umpire to understand the nature and reasons for the differences between the appraisals. After inspecting the property and receiving input from the appraisers, the umpire shall identify each item of physical loss or damage and shall appraise the amount of the loss for each item. The umpire's appraisal shall include a detailed breakdown of the costs necessary to repair or replace the item and shall state separately the **Actual Cash Value** and **Replacement Cost** value as of the date of loss. An award agreed to in writing by any two of the three appraisers will determine the amount of loss. The appraisal award is subject to all terms of the **Addendum** and may be reduced by the application of a deductible called for in the COVERAGE PART I PROPERTY.

The **Member** and the **Pool** will each:

(i) Pay its chosen appraiser; and

(ii) Bear equally the other expenses of the appraisal and umpire.

A demand for an appraisal shall not relieve the **Member** of its continuing obligation to comply with the terms and conditions of the **Addendum**, including as provided under REQUIREMENTS IN CASE OF LOSS.

The **Pool** will not be held to have waived any of its rights by any act relating to appraisal.

f. Suit Against The **Pool**

No suit, action or proceeding for the recovery of any loss will be sustained in any court of law or equity unless the following adjudication procedures are satisfied:

(i) As a condition precedent to filing a suit, the **Member** has fully complied with all the provisions of the **Addendum**, including providing PROOF OF LOSS;

(ii) As a condition precedent to filing suit, the **Member** has fully complied with the Mandatory Pre-Litigation Mediation conditions of the **UCIP** Bylaws;

(iii) Any suit against the **Pool** arising from a claim or loss must be filed in accordance with the Utah Governmental Immunities Act.

5. SETTLEMENT OF LOSSES

The amount of loss for which the **Pool** may be liable will be paid in accordance with the Utah Uniform Fiscal Procedures Act. The time period for payment within the Act shall not begin until:

a. PROOF OF LOSS as described in the **Addendum** is received by the **Pool**; and

b. When a resolution of the amount of loss is made either by:

(i) Written agreement between the **Member** and the **Pool**; or

(ii) The filing with the **Pool** of an award as provided in the APPRAISAL provisions of this Section.

6. COLLECTION FROM OTHERS

The **Pool** will not be liable for any loss to the extent that the **Member** has collected such loss from others.

7. PARTIAL PAYMENT OF LOSS SETTLEMENT

In the event of a loss occurring, which has been ascertained to be a covered loss or damage under this COVERAGE PART I PROPERTY and determined by the **Pool's** representatives to be in excess of the applicable COVERAGE PART I PROPERTY deductible, the **Pool** will advance mutually agreed upon partial payment(s) on the covered loss or damage, subject to the **Addendum's** provisions. To obtain said partial payments, the **Member** will submit a signed and sworn PROOF OF LOSS as described in the **Addendum**, with adequate supporting documentation.

8. JURISDICTION

The **Addendum** will be governed by United States of America Law. Any disputes arising hereunder will be exclusively subject to United States of America jurisdiction.

SECTION E GENERAL PROVISIONS

1. ADDITIONAL INTERESTS/CERTIFICATION OF COVERAGE

Any certification of coverage issued in connection with the **Addendum** shall be issued solely as a matter of convenience or information for the addressee(s) or holder(s) of said certification of coverage, except where any loss payee(s) or mortgagee(s) are identified on said certification of coverage. In the event any loss payee(s) or mortgagee(s) are so identified, the **Member** may request the **Pool** make payment for loss to the loss payee(s) or mortgagee(s) interest in COVERED PROPERTY directly to loss payee(s) or mortgagee(s), subject to all other terms, conditions and exclusions stated herein.

2. CANCELLATION

The **Addendum** may only be cancelled in accordance with the withdrawal and termination provisions of the Interlocal Cooperation Agreement and Bylaws of the **Pool**.

3. INSPECTIONS

The **Pool**, at all reasonable times, will be permitted, but will not have the duty, to inspect COVERED PROPERTY. The **Pool's** right to make inspections; making of inspections; or analysis, advice or inspection report will not constitute an undertaking, on behalf of or for the benefit of the **Member** or others, to determine or warrant that the COVERED PROPERTY is safe or healthful. The **Pool** will have no liability to the **Member** or any other person because of any inspection or failure to inspect.

When the **Pool** is not providing jurisdictional inspections, the Owner/Operator has the responsibility to assure that jurisdictional inspections are performed as required, and to assure that required jurisdictional Operating Certificates are current for their pressure equipment.

4. APPRAISAL

The **Pool**, at all reasonable times, will be permitted, but will not have the duty, to appraise COVERED PROPERTY. The **Pool's** right to conduct appraisals; conducting of appraisals; or analysis, advice or appraisal report will not constitute an undertaking, on behalf of or for the benefit of the **Member** or others, to determine or warrant that the COVERED PROPERTY is properly valued. The **Pool** will have no liability to the **Member** or any other person because of any appraisal or failure to appraise.

5. MISREPRESENTATION AND FRAUD

The **Addendum** will be void in entirety if, whether before or after a loss, a **Member** has:

a. Willfully concealed or misrepresented any material fact or circumstance concerning this coverage, the subject thereof, any claim for coverage, or the interest of a **Member**;

b. Made any attempt to defraud the **Pool**; or

c. Made any false swearing.

6. LENDERS LOSS PAYEE AND MORTGAGEE INTERESTS AND OBLIGATIONS

Any obligation of the **Member** to any lenders loss payee(s) and/or mortgagee(s) creates no obligation of the **Pool** to any lenders loss payee(s) and/or mortgagee(s).

7. INSURANCE OR OTHER COVERAGE

a. If there is any insurance or other coverage that would apply in the absence of this COVERAGE PART I PROPERTY, this COVERAGE PART I PROPERTY will apply only after such insurance or coverage whether collectable or not.

b. In no event will this COVERAGE PART I PROPERTY apply as contributing insurance or coverage.

c. If the **Member** has insurance or other coverage over any limits or sublimits of liability specified elsewhere in this COVERAGE PART I PROPERTY the coverage under this

COVERAGE PART I PROPERTY will not be prejudiced. The existence of such insurance or other coverage will not reduce any limit or sublimit of liability in this COVERAGE PART I PROPERTY. Any insurance or other coverage that would have provided primary coverage in the absence of this COVERAGE PART I PROPERTY will not be considered excess.

d. If this COVERAGE PART I PROPERTY is deemed to contribute with insurance or other coverage, the limit of liability applicable at each COVERED PROPERTY, for purposes of such contribution with other insurers or coverage providers, will be the latest amount described in this COVERAGE PART I PROPERTY or the latest COVERED PROPERTY value on file with the **Pool**.

8. ADDENDUM MODIFICATION

The **Addendum**, the Interlocal Cooperation Agreement, and Bylaws of the **Pool** contain all of the agreements between the **Members** concerning this coverage. A **Member** may request amendments to the **Addendum**. The **Addendum** can only be amended in accordance with the Interlocal Cooperation Agreement and Bylaws of the **Pool**.

Notice to any representative of the **Pool** or knowledge possessed by any representative of the **Pool** or by any other person will not:

a. Create a waiver, or change any part of the **Addendum**; or

b. Prevent the **Pool** from asserting any rights under the Provisions of the **Addendum**.

9. REDUCTION BY LOSS

Losses paid under this COVERAGE PART I PROPERTY will not reduce its LIMITS OF COVERAGE, except losses paid will reduce any Annual Aggregate LIMIT OF COVERAGE.

10. SUSPENSION

On discovery of a dangerous condition, the **Pool** may immediately suspend Equipment Breakdown coverage on any machine, vessel or part thereof by giving written notice to the **Member**. The suspended coverage may be reinstated by the **Pool**.

11. TITLES

The titles in this COVERAGE PART I PROPERTY are only for reference. The titles do not in any way affect the provisions of this COVERAGE PART I PROPERTY.

SECTION F DEFINITIONS

1. Actual Cash Value: the amount it would cost to repair or replace COVERED

PROPERTY, on the date of loss, with material of like kind and quality, with proper deduction for obsolescence and physical depreciation.

2. **Defined Peril**: **Earth Movement**, explosion, falling aircraft, fire, **Flood**, hail, lightning, smoke, tornado, **Vehicle** impact, wind-driven water, and windstorm.

3. **Earthquake**: a shaking or trembling of the earth that is tectonic or seismic in origin.

4. **Earth Movement**: any natural or man-made earth movement including, but not limited to **Earthquake**, landslide, subsidence or volcanic eruption regardless of any other cause or event contributing concurrently or in any other sequence of loss.

However, physical damage by fire, explosion, or sprinkler leakage resulting from **Earth Movement** will not be considered to be loss by **Earth Movement** within the terms and conditions of this COVERAGE PART I PROPERTY. All **Earth Movement** within a continuous 168 hour period will be considered a single **Earth Movement**; the beginning of such period shall be determined by the **Member**.

5. **Electronic Data and Media**: all forms of data, converted data, electronically converted data and/or programs and/or applications and/or instructions and/or media vehicles employed.

6. **Federal Emergency Management Agency**: the federal agency under which the National Flood Insurance Program is administered.

7. **Federal Insurance Administration**: the federal entity within the **Federal Emergency Management Agency** that directly administers the National Flood Insurance Program (NFIP).

8. **Fine Arts**: manuscripts, paintings, etchings, pictures, murals, tapestries, rare or art glass, art glass windows, valuable rugs, statuary, sculptures, antique furniture, antique jewelry, bric-a-brac, porcelains, mounted animals or insects, and similar property of rarity, historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, money, securities.

9. **Flood**:

a. A general and temporary condition of partial or complete inundation of normally dry land areas from:

(i) **Flood**, or rising waters, waves, tide, or tidal water;

(ii) The unusual and rapid accumulation or runoff of surface waters from any source; or

(iii) Mudslide or mud flow caused by accumulation of water on or under the ground.

b. The release of water, the rising, overflowing or breaking of boundaries of natural or man-made bodies of water, or the spray therefrom.

However, physical damage by fire, explosion or sprinkler leakage resulting from **Flood** is not considered to be loss by **Flood** within the terms and conditions of this COVERAGE PART I PROPERTY.

All flooding within a continuous 168 hour period will be considered a single **Flood**; the beginning of such period shall be determined by the **Member**.

10. **Flood Insurance Rate Map**: the official map of a community on which the administrator has designated the special hazards area applicable to the community.

11. **Gross Earnings**:

a. For manufacturing operations: the net sales value of production less the cost of all raw stock, materials and supplies used in such production; or

b. For mercantile or non-manufacturing operations: the total net sales less cost of merchandise sold, materials and supplies consumed in the operations or services rendered by the **Member**.

12. **Lease Interest**: the excess rent paid for the same or similar replacement property over actual rent payable plus cash bonuses or advance rent paid (including maintenance or operating charges) for each month during the unexpired term of the **Member's** lease.

13. **Mobile Equipment**: any of the following types of self-propelled equipment, including any attached machinery or equipment:

a. Bulldozers, earthmovers, tractors, diggers, farm machinery, forklifts, heavy construction equipment, mobile medical equipment, ATVs, snowmobiles, and other self-propelled equipment designed for use principally off public roads;

b. Self-propelled equipment maintained for use solely on or next to COVERED PROPERTY;

c. Self-propelled equipment that travel on crawler treads;

d. Equipment, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted power cranes, shovels, loaders, diggers or drills or to road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Trailers that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types: air compressors, pumps and generators including spraying, welding, building, cleaning, geophysical exploration, lighting and well servicing equipment or cherry pickers and similar devices used to raise or lower workers;

f. Self-propelled equipment not described above which are maintained primarily for purposes other than the transportation or persons or cargo.

14. **Net Lease Interest**: that sum which placed at 3% interest rate compounded annually would equal the **Lease Interest** (less any amounts otherwise payable hereunder).

15. **Normal**: the condition that would have existed had no physical loss or damage occurred.

16. **Occurrence:** any one loss, disaster, casualty or series of losses, disasters, or casualties, arising out of one event. When the term applies to loss or losses from the perils of tornado, cyclone, hurricane, windstorm, hail, volcanic eruption, riot, riot attending a strike, civil commotion, and vandalism and malicious mischief one event shall be construed to be all losses arising during a continuous period of 72 hours. When filing PROOF OF LOSS, the **Member** may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the first loss to the COVERED PROPERTY occurs.

17. **Ordinary Payroll**: includes the **Member's** payroll for all employees except officers, executives, department managers, and employees under contract. It is comprised of, but not limited to, the payroll, benefits paid for the payroll, social security (FICA), union dues paid for the payroll, and workers compensation paid for the payroll.

18. **Period of Service Interruption**:

a. The period starting with the time when an interruption of specified services occurs; and ending when with due diligence and dispatch the service could be wholly restored and the COVERED PROPERTY receiving the service could or would have resumed **Normal** operations following the restorations of service under the same or equivalent physical and operating conditions as provided by the PERIOD OF LIABILITY provision of this Section of this COVERAGE PART I PROPERTY.

b. Is limited to only those hours during which the **Member** would or could have used services(s) if it had been available.

c. Does not extend to include the interruption of operations caused by any reason other than interruption of the specified service(s).

19. **Pollutants**: any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapors, soot, fumes, acids, alkalis, chemicals, vaccines and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

20. **Replacement Cost**: the amount it would cost to repair or replace COVERED PROPERTY, on the date of loss, with material of like kind and quality.

21. **Reproduction Cost**: defined as the cost to repair, rebuild or replace with material of like kind and quality compatible to those originally used, including the cost of skilled labor

and/or authentic materials necessary to restore the property as nearly as possible to its original condition.

22. **Soft Costs**:

a. Interest expense.

b. General overhead-developer expenses and additional real estate taxes.

c. Legal or professional fees.

d. Marketing expenses and advertising expenses.

e. Debt service payments and insurance premiums.

f. Refinancing charges and bond interest.

g. Founders fees and miscellaneous operating expenses.

23. **Special Flood Hazard Area**: the areas of a **Flood Insurance Rate Map** which t are identified as Zones A, AO, AH, Al-A30, AE, A99, AR, AR/A, AR/AE, AR/A1-A30, AR/AH, AR/AO, V, V1-V30, and VE. For purposes of determining which areas qualify as **Special Flood Hazard Areas** as specified above, only those **Flood Insurance Rate Maps** which were in effect at the time of the **Flood** loss shall apply.

24. **Storm Surge**: water driven inland from coastal waters by high winds and low atmospheric pressure. **Storm Surge** shall not be considered **Flood**.

25. **Terrorism**: an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes. **Terrorism** shall also include any act which is verified or recognized by the United States Government as an act of **Terrorism**.

26. **Unmanned Aircraft System**: an unmanned aircraft and the equipment necessary for the safe and efficient operation of that aircraft. An unmanned aircraft is a component of an **Unmanned Aircraft System**. An unmanned aircraft is an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft.

27. **Vacant**: a building is **Vacant** if less than 10% of the total square footage owned, rented, or leased by the **Member** is used by the **Member** to conduct customary operations, excluding common areas such as lobbies and garages, or the building contains inadequate contents to perform customary business operations. Buildings under construction or renovation shall not be considered **Vacant**.

28. **Valuable Papers and Records**: written, printed or otherwise inscribed documents, securities, and records including but not limited to books, maps, films, drawings, abstracts, evidence of debt, deeds, mortgages, mortgage files, manuscripts and micro or electronically/magnetically inscribed documents, but not including the monetary value of monies and/or securities.

29. **Vehicle**: any automobile, truck, van, bus, motorcycle, or other conveyance licensed for use on public roads.

30. **Waiting Period:** the time period where the **Pool** shall have no liability for the TIME ELEMENT loss when the PERIOD OF LIABILITY applicable to all TIME ELEMENT loss is equal to or less than such time period. If, however, the PERIOD OF LIABILITY exceeds such time period then the **Pool's** liability for the TIME ELEMENT loss shall otherwise apply and the PERIOD OF LIABILITY shall be measured from the inception of the **Occurrence** for which loss is being claimed. The applicable deductible shall then apply.

COMMUNICABLE DISEASE EXCLUSION

This amendment attaches to and forms part of COVERAGE PART I PROPERTY.

Notwithstanding any other provision of the **Addendum** to the contrary, the **Pool** excludes any loss, damage, liability, claim, cost, or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any sequence thereto.

As used herein, **Communicable Disease** means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1. The substance or agent includes, but limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and

2. The method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and

3. The disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

All other terms and conditions of the COVERAGE PART I PROPERTY remain the same.

ENERGY EFFICIENCY UPGRADE AMENDMENT

The following Energy Efficiency Upgrade is added to the Additional Coverages of COVERAGE PART I PROPERTY.

The coverages and valuation provision provided by this amendment only apply if direct physical loss or damage to covered real and/or personal property is caused by any of the perils covered by the COVERAGE PART I PROPERTY and **Replacement Cost** valuation applies. This coverage does not apply to: (1) personal property of others in the **Member's** care, custody, and control, (2) leased personal property, and/or (3) finished or unfinished stock.

1. Notwithstanding the VALUATION or LIMITS OF COVERAGE clauses applicable to specific COVERED PROPERTY or perils, if **Replacement Cost** valuation applies to real and/or personal property, then the **Pool's** liability for loss applicable to this amendment shall be the cost to repair or replace the covered damaged property, subject to the applicable LIMITS OF COVERAGE, plus the least of the following amounts:

a. The reasonable and necessary amount to upgrade the covered damaged property as described in **Coverage Section A Non-LEED® Certified Coverage** or as described in **Coverage Section B LEED® Certified Coverage**, whichever is applicable; or

b. An additional 25% of the applicable LIMITS OF COVERAGE for the COVERED PROPERTY shown in the Statement of Values or similar schedule to upgrade; or

c. The Energy Efficiency Upgrade Sublimit in SECTION A TERMS.

At the **Member's** sole discretion, the **Member** may elect not to upgrade any or all property for which upgrade coverage is provided under this amendment. In such case, the **Pool** will adjust the loss in accordance with the standard provisions of the COVERAGE PART I PROPERTY, as modified by all other applicable amendments.

Subject to the least of **a.**, **b.**, or **c.** above, if TIME ELEMENT coverage is provided as part of this COVERAGE PART I PROPERTY, if necessary, the PERIOD OF RESTORATION shall be increased to allow for additional time to upgrade the damaged property plus up to an additional two-week period to meet the requirements set forth in 4.b.

2. Coverage Section A: NON-LEED Certified Coverage

In the event of direct physical loss or damage by any of the perils covered by the COVERAGE PART I PROPERTY to a building that is not LEED certified at the time of the loss, or to the personal property within such a building, the **Pool** will pay to repair or replace damaged or destroyed:

a. Loss Settlement for Personal Property *(i)* **Appliances** or **Office Equipment** with products of like kind and quality that have been identified as ENERGY STAR® or equivalent products of such energy efficiency. If there are no such products available at the time of the loss, this upgrade coverage does not apply.

(ii) **Systems Furniture** or **Seating**, with products of like kind and quality that are certified as GREENGUARD Indoor Air Quality Certified® or products with similar emissions characteristics. If there are no such products available at the time of the loss, this upgrade coverage does not apply.

b. Loss Settlement for Building

(i) Interior Finish Materials Upgrade

(A) Lower Emissions Products Upgrade Coverage

Defined Building Materials with products of like kind and quality that have **Lower Emissions**. If there are no such products available at the time of the loss, this upgrade coverage does not apply.

(B) Environmentally Preferable Products Upgrade Coverage

Interior wood, carpeting and flooring with products of like kind and quality that have **Lower Emissions**, are **Sustainably Produced**, are **Rapidly Renewable** or include **Recycled Content**. If there are no such products available at the time of the loss, this upgrade coverage does not apply.

(ii) Interior Plumbing Systems Upgrade Coverage

Interior plumbing fixtures including, but not limited to, toilets, shower heads and lavatory faucets with products of like kind and quality that are more **Water Efficient**. If there are no such products available at the time of the loss, this upgrade coverage does not apply. For damaged or destroyed faucets, the **Pool** will also pay to install occupant sensors to reduce the potable water demand.

(iii) Lighting Systems Upgrade Coverage

Lighting systems, with products of like kind and quality that have been identified as ENERGY STAR® or equivalent products of such energy efficiency. If there are no such products available at the time of the loss, this upgrade coverage does not apply. The **Pool** will also pay to repair or replace damaged light bulbs with light bulbs which have low mercury content.

(iv) Efficient Heating and Cooling Equipment Upgrade Coverage

Heating and Cooling Equipment with products of like kind and quality that have been identified as ENERGY STAR® or equivalent products of such energy efficiency. If there are no such products available at the time of the loss, this upgrade coverage does not apply.

(v) Building Reconstruction Following Total Loss

(A) Solely with respect to a **Total Loss** to a building, the **Pool** will pay to replace the building on its existing foundation using the most cost effective techniques, products and materials that should satisfy the prerequisites and earn the minimum number of points required to qualify for LEED Silver certification using the LEED New Construction (LEED NC®) Rating System.

(B) Certification Expenses

(1) The **Pool** will pay the reasonable and necessary registration and certification fees charged by the United States Green Building Council (USGBC) that the **Member** incurs should the **Member** decide to seek LEED Silver certification. However, the **Pool** will not pay to modify the reconstructed structure if it is not certified.

(2) The Sublimit of coverage for Certification Expenses is $25,000.

3. Coverage Section B: LEED Certified Coverage

In addition to all coverages provided in Coverage Section A (with the exception of 2.b.*(v)* Building Reconstruction Following a **Total Loss**) and in the event of direct physical loss or damage by any of the perils covered by the COVERAGE PART I PROPERTY to a building that is LEED certified at the time of the loss, or to the personal property within such building, the **Pool** will pay to repair or replace damaged or destroyed:

a. Loss Settlement for Trees, Shrubs, and Vegetative Roofs

(i) Trees and shrubs planted specifically to secure the Heat Island Effect: Non-Roof point as described in LEED NC®. For the purposes of this coverage only, notwithstanding any other provision of the COVERAGE PART I PROPERTY to the contrary, trees and shrubs are COVERED PROPERTY. The Sublimit of coverage for this coverage is $3,000 per tree or $3,000 per shrub up to a maximum of $25,000.

(ii) Vegetative roofs on LEED certified buildings. Notwithstanding any other provision of the COVERAGE PART I PROPERTY to the contrary, vegetative roofs are COVERED PROPERTY.

b. Loss Settlement for Building

(i) Recertification Expenses

(A) In the event of direct physical loss or damage by any of the perils covered by the COVERAGE PART I PROPERTY that necessitates recertification of the damaged building, the **Pool** will pay the reasonable and necessary registration and certification fees charged by the USGBC that the **Member** incurs as a result of the recertification process.

(B) The Sublimit of coverage for Recertification Expenses is $25,000.

(ii) Building Reconstruction Following **Total Loss**

(A) Solely with respect to a **Total Loss** to a building that is LEED certified at the time of the loss, the **Pool** will pay to replace the building on its existing foundation using the most cost effective techniques, products and materials that would satisfy the prerequisites and should earn the minimum number of points required to qualify for LEED certification at one level above the certification in effect at the time of the loss using the LEED NC® Rating System.

(B) Certification Expense

(1) The **Pool** will pay the reasonable and necessary registration and certification fees charged by the USGBC that the **Member** incurs should the **Member** decide to seek LEED certification. However, the Pool will not pay to modify the reconstructed structure if it is not certified.

(2) The Sublimit of coverage for Certification Expense is $25,000.

4. Coverages Included Within Coverage Sections A or B and Applicable to LEED® and NON-LEED® Certified Buildings

In the event of direct physical loss or damage by any of the perils covered by the COVERAGE PART I PROPERTY to a LEED or Non-LEED certified building:

a. Recycling Expenses

(i) The **Pool** will pay the **Member's** expenses to clean-up, sort, segregate, and transport debris from the **Member's** damaged building to recycling facilities, if such debris can be recycled.

(ii) The Sublimit of coverage for Recycling Expenses is $25,000 and is in addition to the DEBRIS REMOVAL expense sublimit provided by the COVERAGE PART I PROPERTY, if any.

(iii) Any income or remuneration derived from this recycling shall be used to reduce the loss.

b. Air Testing and Outdoor Air Ventilation of the Reconstructed Space *(i)* In accordance with the requirements for the Construction IAQ Management Plan:

Before Occupancy Credit as described in the LEED NC® rating system (hereinafter, "Construction IAQ"), the **Pool** will pay to conduct air testing and a building flush-out (if required because of a failure to meet air quality standards set forth in the Construction IAQ) and follow-up air testing for a total period of time not to exceed two weeks.

(ii) After the two week period of increased outdoor air ventilation of the reconstructed space, the **Pool** will pay to replace the filtration media with new media.

(iii) The Sublimit of Coverage for Air Testing and Outdoor Air Ventilation of the Reconstructed Space is $25,000.

c. Professional Services

The **Pool** will pay reasonable and necessary expenses to hire a LEED Accredited architect or engineer to participate in the design and/or construction administration of the damaged portion of the building or the entire building, whichever is applicable.

The Sublimit of coverage for this Professional Services is $50,000.

d. Building Commissioning Expenses

(i) In the event of direct physical loss or damage to mechanical, electrical, or electronic building systems, by any of the perils covered by the COVERAGE PART I PROPERTY, which necessitates the commissioning or re-commissioning of those systems, the **Pool** will pay reasonable and necessary expenses of a Professional Engineer to commission or re-commission those damaged systems in accordance with LEED protocols.

(ii) The Sublimit of coverage for Building Commissioning Expenses is $25,000.

5. Additional Definitions

a. **Appliances** means products including, but not limited to, dishwashers, refrigerators, freezers, ovens, microwave ovens, room air conditioners, room air cleaners and water heaters.

b. **Defined Building Materials** means:

(i) All carpet and floor coverings, including, adhesives to affix them to the floor;

(ii) All interior paints, architectural coatings, primers, undercoatings, adhesives, sealants; and

(iii) Permanently installed composite wood fixtures, including, counters, cabinets, and partitions.

c. **Energy Star** means any product that has been identified by the United States Government Department of Energy, Environmental Protection Agency as ENERGY STAR qualified at the time of the loss.

d. **Heating And Cooling Equipment** means products including, but not limited to, heat pumps, boilers, central air conditioning, ceiling fans, dehumidifiers, exhaust fans, furnaces, thermostats, and ventilating fans.

e. **Lower Emissions** means:

(i) With respect to adhesive and sealant products, such as, general construction adhesives, flooring adhesives, fire-stopping sealants, caulking, duct sealants, plumbing adhesives, and cove base adhesives, products that meet the requirements of South Coast Air Quality Management District (SCAQMD) Rule #1168; with respect to aerosol adhesives, products that meet Green Seal Standard GS-36 requirements;

(ii) With respect to architectural paints, coatings, and primers, products that do not exceed the volatile organic compound (VOC) content limits established in Green Seal Standard GS-11, with respect to anti-corrosive and anti-rust paints, products that do not exceed the VOC content limits established in Green Seal Standard GS-03; and with respect to clear wood finishes, floor coatings, stains, and shellacs, products that do not exceed the VOC content limits established by SCAQMD Rule #1113;

(iii) With respect to carpet and carpet cushion, products that meet the requirements of the Carpet and Rug Institute's Green Label Plus Program; and

(iv) With respect to composite wood and agrifiber products such as particleboard, medium density fiberboard (MDF), plywood, wheatboard, strawboard, panel substrates and door cores as well as laminating adhesives used to fabricate on-site and shop-applied composite wood and agrifiber assemblies, products that contain no added urea-formaldehyde resins.

f. **Office Equipment** means electronic products including, but not limited to, desktop computers, laptop computers, monitors, printers, fax machines, scanners, copiers, and telephones.

g. **Recycled Content** means those products that contain at least 20% post- consumer **Recycled Content**.

h. **Rapidly Renewable** means products that are made from plant resources that are harvested within a ten-year cycle or shorter, including, but not limited to, bamboo, eucalyptus, wheat straw, sunflower hulls, cork oak, wheatboard, linoleum, and sorghum.

i. **Seating** means task and guest chairs used with SYSTEM FURNITURE.

j. **Sustainably Produced** means those products certified by the Forest Stewardship Council ("FSC").

k. **System Furniture** means either a panel-based workstation comprised of modular interconnecting panels, hang-on components and drawer/filing components of a freestanding grouping of furniture items and their components that have been designed to work in concert.

l. **Total Loss** means:

(i) The covered building is completely destroyed regardless of whether any damage is done to the foundation or slab, or

(ii) The covered building is in such condition after the loss that the standard method of rebuilding or repairing the covered building is to raze the structure except for the foundation or slab or including all or part of the foundation or slab and rebuild the entire structure, whether such structure is actually rebuilt or not.

m. **Water Efficient** means dry fixtures such as composting toilet systems and non-water using urinals, flush toilets using no more than 1.6 gallons of water per flush, and shower heads and faucets with a flow rate of no more than 2.2 gallons per minute.

All other terms and conditions of the COVERAGE PART I PROPERTY remain the same.

EQUIPMENT BREAKDOWN AMENDMENT

This amendment's intention is to clarify that the peril of **Breakdown** is included for **Covered Equipment.**

1. Limit of Coverage:

The most the **Pool** will pay for any and all coverages for loss or damage from any **One Breakdown** is the applicable Limit of Coverage shown for Equipment Breakdown in the LIMITS OF COVERAGE clause of the SECTION A TERMS.

2. Equipment Breakdown Coverage Extensions:

The LIMITS FOR COVERAGE extensions are part of, not in addition to, the LIMIT OF COVERAGE for Equipment Breakdown shown in the LIMITS OF COVERAGE clause of the SECTION A TERMS.

a. Spoilage:

(i) This COVERAGE PART I PROPERTY covers the spoilage damage to raw materials, property in process or finished products, provided all of the following conditions are met:

(A) The raw materials, property in process or finished products must be in storage or in the course of being manufactured;

(B) The **Member** must own or be legally liable under written contract for the raw materials, property in process or finished products;

(C) The spoilage damage must be due to the lack or excess of power, light, heat, steam or refrigeration.

(ii) This COVERAGE PART I PROPERTY also covers any necessary expenses the **Member** incurs to reduce the amount of loss under this coverage. The **Pool** will pay such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage form.

b. Service Interruption:

This COVERAGE PART I PROPERTY covers loss resulting from the interruption of utility services provided all of the following conditions are met:

(i) The interruption is the direct result of a **Breakdown** to **Covered Equipment** owned, operated or controlled by the local private or public utility or distributor that directly generates, transmits, distributes or provides utility services which the **Member** receives;

(ii) The **Covered Equipment** is used to supply electricity, telecommunication services, air conditioning, heating, gas, fuel, sewer, water, refrigeration or steam to the **Member's** premises;

(iii) The **Period of Service Interruption** lasts at least the consecutive period of time shown in item 9. **Waiting Period**. Once this **Waiting Period** is met, coverage will commence at the initial time of the interruption and will be subject to all applicable deductibles.

c. Business Income:

(i) This COVERAGE PART I PROPERTY covers the **Member's** actual loss of business income that results directly from the necessary total or partial interruption of the **Member's** business caused by a **Breakdown**.

(ii) This COVERAGE PART I PROPERTY also covers any necessary expenses the **Member** incurs to reduce the amount of loss under this coverage. The **Pool** will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(iii) The **Pool** will consider the actual experience of the **Member's** business before the accident and the probable experience the **Member** would have had without the accident in determining the amount of its payment.

(iv) This coverage continues until the date the damaged property is repaired or replaced.

d. EXPEDITING COSTS:

This COVERAGE PART I PROPERTY covers the reasonable and necessary costs incurred to pay for the temporary repair of **Member** damage to **Covered Equipment** and to expedite the permanent repair or replacement of such damaged property caused by a **Breakdown.**

This coverage extension does not cover costs:

(i) Recoverable elsewhere in this COVERAGE PART I PROPERTY; or

(ii) Of permanent repair or replacement of damaged property.

e. Hazardous Substance:

This COVERAGE PART I PROPERTY covers any additional expenses incurred by the **Member** for the clean-up, repair or replacement or disposal of **Covered Equipment** that is damaged, contaminated or polluted by a **Hazardous Substance** caused by a **Breakdown.**

As used here, additional expenses mean the additional cost incurred over and above the amount that the **Pool** would have paid had no **Hazardous Substance** been involved with the loss.

f. Ammonia Contamination:

This COVERAGE PART I PROPERTY covers the spoilage to **Covered Equipment** contaminated by ammonia, including any salvage expense caused by a **Breakdown.**

g. Water Damage:

This COVERAGE PART I PROPERTY covers the damage to **Covered Equipment** by water including any salvage expenses caused by a **Breakdown**, except no coverage applies to such damage resulting from leakage of a sprinkler system or domestic water piping.

h. Consequential Loss:

The COVERAGE PART I PROPERTY covers the reduction in the value of undamaged **Stock** parts of a product which becomes unmarketable. The reduction in value must be caused by a physical loss or damage to another part of the product.

i. **Electronic Data and Media**:

The COVERAGE PART I PROPERTY covers the **Member's** cost to research, replace or restore damaged **Electronic Data and Media** including the cost to reprogram instructions used in any computer equipment if the loss is caused by a **Breakdown**.

j. CFC Refrigerants:

This COVERAGE PART I PROPERTY covers the additional cost to repair or replace **Covered Equipment** because of the use or presence of a refrigerant containing CFC (chlorinated fluorocarbon) substances if the loss is caused by a **Breakdown**. This means the additional expense to do the least expensive of the following:

(i) Repair the damaged property and replace any lost CFC refrigerant;

(ii) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or

(iii) Replace the system with one using a non-CFC refrigerant.

k. **Computer Equipment**:

This COVERAGE PART I PROPERTY covers direct damage to **Computer Equipment** that is damaged by a **Breakdown** to such equipment.

3. Definitions relating only to this amendment:

a. **Breakdown** means the direct physical loss resulting from one or more of the following items that causes damage to **Covered Equipment** and necessitates its repair or replacement:

(i) Failure of pressure or vacuum equipment;

(ii) Mechanical failure including rupture or bursting caused by centrifugal force;

(iii) Electrical failure including arcing;

(iv) Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;

(v) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or

(vi) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

Unless such loss or damage is otherwise excluded within the PART I PROPERTY.

Breakdown does not mean or include:

(i) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;

(ii) Defects, erasures, errors, limitations or viruses in computer equipment and programs including the inability to recognize and process any date or time or provide instructions to **Covered Equipment**;

(iii) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

(iv) Damage to any vacuum tube, gas tube, or brush;

(v) Damage to any structure or foundation supporting the **Covered Equipment** or any of its parts;

(vi) The functioning of any safety or protective device; or

(vii) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.

b. **Covered Equipment** is defined as:

(i) Equipment built to operate under internal pressure or vacuum other than weight of contents;

(ii) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy; and

(iii) Communication equipment, and computer equipment.

Covered Equipment does not mean or include any:

(i) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;

(ii) Insulating or refractory material, but not excluding the glass lining of any **Covered Equipment**;

(iii) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or another appropriate and approved code;

(iv) Catalyst;

(v) Vessels, piping and other equipment that is buried below ground and requires the excavation of materials to inspect, remove, repair or replace;

(vi) Structure, foundation, cabinet or compartment supporting or containing the **Covered Equipment** or part of the **Covered Equipment** including penstock, draft tube or well casing;

(vii) **Vehicle**, **Mobile Equipment**, aircraft, self-propelled equipment or floating vessel including any **Covered Equipment** that is mounted upon or used solely with anyone or more **Vehicle(s)**, **Mobile Equipment,** aircraft, self-propelled equipment or floating vessel;

(viii) Dragline, excavation, or construction equipment including any **Covered Equipment** that is mounted upon or used solely with any one or more dragline(s), excavation, or construction equipment;

(ix) Felt, wire screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;

(x) Equipment or any part of such equipment manufactured by the **Member** for sale; or

(xi) Equipment used to produce power or gas for distribution to third parties.

c. **Hazardous Substance**: any substance other than ammonia that has been declared to be hazardous to health by a government agency. Ammonia is not considered to be a

Hazardous Substance as respects this limitation.

d. **One Breakdown**: if an initial **Breakdown** causes other **Breakdowns**, all will be considered **One Breakdown**. All **Breakdowns** at any one premises that manifest themselves at the same time and are the direct result of the same cause will be considered **One Breakdown**.

e. **Computer Equipment**: COVERED PROPERTY that is electronic computer or other electronic data processing equipment, including media and peripherals used in conjunction with such equipment.

f. **Stock**: means merchandise held in storage or for sale, raw materials, property in process or finished products including supplies used in their packing or shipping.

All other terms and conditions of the COVERAGE PART I PROPERTY remain the same.

UTAH COUNTIES INDEMNITY POOL

BYLAWS COVERAGE ADDENDUM

1. AUTHORITY

The Utah Counties Indemnity Pool (the **Pool** or **UCIP**) is formed pursuant to the provisions of the Utah Interlocal Cooperation Act, Utah Code Annotated §11-13-101 et seq., as a governmental entity within the scope of the Utah Governmental Immunity Act, Utah Code Annotated §63G-7-101 et seq., and recognized as a Public Entity Insurance Mutual under the Utah Insurance Code, Utah Code Annotated §31A-1-103 et seq. The **Pool** is a risk sharing arrangement among Utah County Governments and other eligible public agencies that are parties to the **UCIP** Amended Interlocal Cooperation Agreement as an alternative to insurance for the funding of costs associated with property and casualty losses. The purposes of the **Pool** are to provide a funding mechanism for property losses through group self-insurance, and casualty losses through a group liability reserve fund as described in Utah Code Annotated §63G-7-703 et seq., to provide for the purchase or joint purchase of insurance, and to assist **Members** in controlling costs by providing specialized governmental risk management services and systems.

2. SCOPE

The **Coverage Addendum** is an addendum to and made a part of the Bylaws of the Utah Counties Indemnity Pool (**Bylaws**) under authority of the Amended Interlocal Cooperation Agreement. The **Coverage Addendum** shall not be construed to create a separate agreement among the **Members** of the **Pool**, or between the **Pool** and any individual **Member** or other party.

3. PURPOSE

It is the intent of the **Pool** to provide access to the funds of the **Pool** for the property and casualty losses covered in the **Coverage Addendum** to each **Member** including a **Member's** obligations for the actions of their employees as defined and in accordance with the Utah Governmental Immunity Act, Utah Code Annotated §63G-7-102(3)(a)(i), (3)(a)(ii), (3)(a)(iii), (3)(a)(iv), (3)(a)(ix), (3)(b) and (3)(c). References to "coverage", including but not limited to use of the terms "cover", "covers" or "covered", as used in the Amended Interlocal Cooperation Agreement, the **Bylaws**, the **Coverage Addendum**, and any endorsement to the **Addendum** means the **Members**' ability to access the funds of the **Pool** to indemnify the **Member** for loss. The **Coverage Addendum** is made a part of the **Bylaws** to eliminate misunderstandings regarding coverages; to avoid coverage disputes; to clarify responsibilities during the claims handling process; and to provide the **Members** with a document that identifies when and to what extent a **Member** will be indemnified for loss from the funds of the **Pool**.

4. EFFECTIVE DATE AND TERM

The effective date of this **Coverage Addendum** to the **Bylaws** is ~~June 9, 2023~~January 1, 2024 and shall remain in effect until amended by the **UCIP** Board of Directors in accordance with the **Interlocal Cooperation Agreement**.

UTAH COUNTIES INDEMNITY POOL
BOARD ELECTED AND APPPOINTED POSITIONS POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is August 17, 2023.

2. This policy should be reviewed annually, but not less than every five years by the Board.

3. This policy should also be reviewed at any time that changes to laws or rules governing Board Members of Interlocal Entities are amended or recommendations are made by the UCIP CEO, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective, which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to outline the structure of the Board and the election and appointment process.

SECTION C AUTHORITY

1. The Board has authority to implement this policy under the UCIP Interlocal Agreement and Bylaws.

SECTION D APPLICABILITY AND SCOPE

1. This policy shall apply to all Members of the Board of UCIP.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. Director: a member of the Board of the Utah Counties Indemnity Pool.

4. Member: a County or County Related Entity that has entered into the Interlocal Agreement.

5. Pool: the Utah Counties Indemnity Pool.

6. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. The Board shall be comprised of thirteen persons in accordance with the Interlocal Agreement.

2. Each Director of the Board must be a resident of the State of Utah.

3. No person convicted of a felony may serve as a Director of the Board.

4. Each Director of the Board shall be an elected or appointed officer or an employee of a Member.

5. Directors of the Board shall serve four-year overlapping terms unless otherwise described in the Interlocal Agreement.

6. Directors of the Board may be reelected or reappointed. There are no term limits to Board positions.

7. While the Board may solicit names from the Associations referred to in the procedures of this policy, they may consider additional candidates.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. Elected Positions.

a. The Board shall appoint a Nominating Committee in accordance with the Interlocal Agreement.

b. The Nominating Committee shall solicit nominations for available elected Director positions in accordance with the Bylaws.

c. UCIP shall verify the Member county classification for available elected Director positions.

d. UCIP shall email nomination request forms to Members for available elected Director positions no later than 30 days prior to the October Board meeting.

e. UCIP shall verify that nominees are eligible to serve and are willing to serve.

f. The Nominating Committee shall review nominees and recommend names to be placed on the ballot to the Board. Current Directors, up for reelection, shall automatically be placed on the ballot unless the Director no longer desires to serve on the Board and indicates so in writing.

g. UCIP shall prepare the ballots for the annual meeting of the Members.

2. Appointed Positions.

a. The governing body of a second class county Member appoints, by resolution, a person of the governing body, for a term determined by the governing body, to serve as a Director of the Board. When a vacancy occurs, UCIP will request that the governing body appoint a new Director of the Board.

b. The Board shall appoint an auditor of a Member county to serve as the chair of the Audit Committee. UCIP shall request two names from the Utah Counties Clerk/Auditors Association, of persons willing to serve on the Board, for the Board to consider.

c. The Board shall appoint a sheriff of a Member county to serve as the chair of the Law Enforcement Committee. UCIP shall request two names from the Utah Counties Sheriff Association, of persons willing to serve on the Board, for the Board to consider.

d. The Board shall appoint an county attorney or deputy county attorney of a Member county to serve as the chair of the Litigation Management Committee. UCIP shall request two names from the Utah Counties Attorneys Association, of persons willing to serve on the Board, for the Board to consider.

e. The Board shall appoint a personnel director of a Member county to serve as the chair of the Personnel Committee. UCIP shall request two names from the Utah Counties Human Resources Association, of persons willing to serve on the Board, for the Board to consider.

SECTION H REVISION HISTORY

1. Adopted: August 17, 2023

2. Revised: October 25, 2023

SECTION I APPENDICES

1. Structure of the Board.

UTAH COUNTIES INDEMNITY POOL
OPERATIONS—BUSINESS CONTINUITY/DISASTER RECOVERY POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is June 18, 2020. UCIP has historically utilized a Business Continuity Plan, a Disaster Recovery Plan and other plans to prepare for and deal with Events that would disrupt normal operations. This policy condenses those prior plans into one Policy for efficiency and continuity of procedures to be implemented in preparation for and at the time of a Disruptive Event.

2. This policy should be reviewed annually, but not less than every five years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing the appropriate disaster response or business continuity actions are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to identify actions to taken before, during and after a Disruptive Event in order to:

a. Ensure the safety of UCIP employees;

b. Continue to provide quality claims management and risk management services to the Members with as little disruption as possible;

c. Protect assets belonging to UCIP;

d. Protect security of data;

e. Reduce legal liability to UCIP;

f. Minimize potential economic loss to UCIP; and

g. Provide an orderly and timely process for recovering critical operations that is in compliance with Federal, State and local regulations and guidelines.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees and operations.

2. The Board authorizes the Event Leader to make reasonable exceptions to standard procedures outlined in other Board Policies to effectively manage a Disruptive Event.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Disruptive Event or Event: an event that would disrupt the normal operations of UCIP or would otherwise disrupt UCIP's ability to provide services to Members.

5. Event Leader: ~~means~~ the individual leading operations during a disruption from an Event based on the chain of command described in this Policy.

6. Pool: the Utah Counties Indemnity Pool.

7. UAC: the Utah Association of Counties.

8. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. The services provided by UCIP are essential to the protection of Member assets and operations, and are therefore considered essential to the public safety, health and welfare of the public.

2. It is imperative UCIP maintain and be prepared to implement a Business Continuity/Disaster Recovery Policy with the information and procedures that would be required to continue mission critical services at a minimum during any Event, and to restore, as quickly as possible, normal operations when an Event does disrupt the provision of service.

3. UCIP's business environment is heavily dependent upon communications, networking and other computer related technologies. UCIP's ability to maintain communications of some type between staff, Members, and certain key vendors/service providers is necessary to daily business activities and is a high priority of this Policy.

4. UCIP's communications requirements consist of telephone, data transmissions, e-mail, and internet access. UCIP's claims management data is managed and stored utilizing an internet accessible remote system which has its own Disaster Plan and redundant systems. UCIP's Website and Member exposure data is stored at a remote server with its own back-up and redundancy. UCIP's email is redundantly accessible at a remote location via the internet and is not dependent on the local server. UCIP's administrative, financial, governance and loss control data are stored on site at UCIP offices and are backed up daily on a redundant local system with the backup drive rotated out weekly and stored at a remote location.

5. A backup or secondary physical location for operations when the primary UCIP office location is not accessible is not necessary as all mission critical operations can be completed remotely from any location with internet access.

6. The Board recognizes that responding to and continuing operations during or after a Disruptive Event may require ignoring or straying from standard procedures outlined in other Board Policies.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Pre-Disruption Event**

a. The CEO ~~and CFO~~ should consider remote access capabilities when reviewing and updating all policies and procedures. Wherever possible, operational procedures, particularly mission critical procedures, should be designed to be accessible remotely.

b. The CEO should assure staff have access to remote access equipment, programs and applications sufficient to conduct mission critical procedures remotely during an Event.

c. The CEO should make recommendation regarding backup access to internet and telecommunication services if those services are interrupted at the UCIP office.

d. The CEO ~~and CFO~~ should consider implementing backup manual processes and procedures for mission critical procedures that could be utilized in the event of failure of internet and telecommunication services.

e. ~~The CFO~~A designee of the CEO should assure the critical contact information attached as appendices to this Policy are maintained with up to date information and are readily accessible to appropriate staff.

f. Employees shall provide the CEO with the login credentials of each UCIP computer system they access. The CEO shall secure each UCIP computer system login credential.

g. The CEO should assure ~~staff~~ employees receive~~s~~ regular training on this policy.

2. **During Disruption Event**

a. The chain of command during an Event will be as follows:

(i) The CEO shall lead all operations during an Event.

(ii) If the CEO is unable to lead during an Event, a designee of the ~~CFO~~ CEO shall lead.

(iii) If both the CEO and ~~CFO~~ designee of the CEO are unable to lead during an Event, the ~~Claims Manager~~Loss Control Underwriting Specialist shall lead.

(iv) If all management staff of UCIP are unable to lead during an Event, the Board Chair or his/her designee shall lead.

b. The first priority is to assure the safety of staff and others, and that continued operations will not create unreasonable risk of injury.

c. If the Disruptive Event requires reporting to public safety or health authorities, the Event Leader will assure such report is made as quickly as possible. If the Disruptive Event involves the UCIP offices, the Event Leader should report the Event to UAC, if they are unaware of the Event. The Event Leader will coordinate with UAC on repairs to UAC building or services.

d. The Event Leader will contact all staff to review responsibilities and procedures during the disruption.

e. The Event Leader will assess the extent of the disruption through contact with staff, service providers and Members.

f. If the Event causes disruption of internet or other telecommunication services, the Event Leader shall as soon as practical assure staff has access to essential internet and telecommunication services.

g. The Event Leader shall provide notice to Board of the Disruptive Event as soon as practicable, with an assessment of the disruption of service to Members, any modifications to normal procedures during the disruption which Members will need to take, and an estimate of when UCIP will resume normal operations. The Event Leader should provide regular updates depending on the length of the disruption.

h. The Event Leader shall provide notice to Members of any change in procedures for claims reporting, claims processing, accounting, ongoing communications or training.

i. The Event Leader shall as soon as practical assure staff has access to data on the UCIP server.

j. The Event Leader shall coordinate reporting any injuries to staff to UCIP's workers compensation carrier.

k. The Event Leader should coordinate responding to media and public requests for information.

l. During the period of disruption, the Event Leader should consider preparations for resuming normal operations as quickly and efficiently as possible.

3. **Resuming Normal Operations**

a. Before moving to resume normal operations, the CEO should assure that doing so will not create unreasonable risk of injury or otherwise cause safety concerns for staff.

b. The CEO should provide advance notice to staff of plans to return to UCIP offices and/or normal work hours and operations.

c. The CEO should report to Board and Members on resumption of normal operations.

d. The CEO shall coordinate reporting of covered losses to property to UCIP and reinsurers if applicable.

e. Once normal operations have resumed, the CEO and ~~CFO~~ a designee of the CEO should review this Business Continuity/Disaster Recovery Policy in consideration of the efficiency of the Policy during the Event.

SECTION H REVISION HISTORY

1. Adopted: June 18, 2020

2. Revised: October 25, 2023

SECTION I APPENDICES

1. Board and staff contact listing.

2. Vendor/Service Provider contact listing.

3. Emergency contacts listing.

4. Checklists.

UTAH COUNTIES INDEMNITY POOL
FINANCE—EMPLOYEE REIMBURSEMENT POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is August 18, 2016.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing reimbursement of employees of interlocal agencies are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. This policy defines the reimbursement policy and procedures for UCIP employees to assure proper oversight of public funds.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement and Bylaws.

SECTION D APPLICABILITY AND SCOPE

1. This policy applies to all employees.

2. This policy is for all approved UCIP business travel.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Expense: a legitimate business Expense incurred while on approved UCIP business including approved UCIP business travel.

5. Director: a member of the Board of Directors of the Utah Counties Indemnity Pool.

6. Home: either the Traveler's actual home, or their office, depending on where the Traveler departs from or return to.

7. Original Receipt or Original Invoice: a hardcopy receipt or invoice received directly from the vendor at the time of purchase and includes any faxed or scanned receipt or invoice received directly from a vendor.

8. Traveler: a UCIP employee traveling on approved UCIP business.

9. UCIP: the Utah Counties Indemnity Pool.

10. GSA: US General Services Administration.

SECTION F POLICY STATEMENTS

1. UCIP will pay or reimburse employees for Expenses associated with approved UCIP business in accordance with this Finance—Employee Reimbursement Policy adopted by the Board of Directors.

2. The rates identified in this policy are meant to follow, in general, the maximum rates published by the GSA. The Board may adopt rates other than the GSA rate at their discretion by amendment to this policy.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. Travelers must provide an Original Receipt or an Original Invoice for all travel Expenses to be reimbursed.

2. The Traveler is responsible for any tax consequences associated with this reimbursement policy.

SECTION H TRANSPORTATION POLICY

1. Commercial Airline Travel.

a. Reservations for travel should be made through a designee of the ~~CFO~~ CEO in an effort to determine the least expensive air fare available at the time reservations are made. Where special and reduced fares are available, they may be secured with approval of the ~~CFO~~Accounting Specialist.

b. Travelers making their own travel arrangements should consider making reservations far enough in advance and flying during off-peak times of the week to qualify for discount fares, if possible. If a Traveler has made alternate travel arrangements using a UCIP business credit card, which resulted in a higher cost to UCIP, without the approval of the ~~CFO~~CEO, the Traveler must reimburse UCIP for the additional cost. If a Traveler makes and pays for their own travel arrangements a copy of the Traveler's itinerary must be attached to the Travel Reimbursement Request.

c. Priority seating charges will not be reimbursed. Exceptions may be allowed for unusual circumstances when approved by the CEO prior to the trip.

d. Only one change fee per trip will be reimbursed by UCIP. An explanation for any additional changes or any other exception to this policy must be given and approved by the CEO.

e. Travelers will be reimbursed for mileage to and from the airport, or mileage to and from the airport for someone to drop off and pick up the Traveler (two trips).

f. Travelers will be reimbursed for long-term parking or away-from-the-airport parking.

2. Discounts, Credits and Special Coupons.

a. Personal airline frequent flyer programs and hotel frequent lodging programs, credit card programs and any other programs which give a Traveler on UCIP business credit for miles/hours flown, or nights lodged shall be considered the property of the Traveler.

b. A Traveler may utilize such credits while travelling on approved UCIP business; however, the Traveler will not be reimbursed for the credits.

c. Discounts, credits, miles, special coupons or other benefits earned on a UCIP credit card or bank card as a result of employee travel shall be considered the property of UCIP and may not be used by employees for personal use.

3. Privately Owned Vehicles.

a. Employees using a privately owned vehicle for approved UCIP business travel will be reimbursed at the published GSA mileage rate.

b. Only one person in a vehicle may receive the reimbursement, regardless of the number of people in the vehicle.

c. Employees who receive an automobile allowance will be reimbursed at the GSA rate minus four cents per mile.

d. Employees who chose to use a private vehicle when they have the option of riding with an employee who receives an automobile allowance will be reimbursed at the GSA rate minus four cents per mile.

e. Employees using privately owned vehicles on approved UCIP business will be reimbursed at the GSA mileage rate.

f. When one or more employees are planning to attend the same meeting, travel in privately owned vehicles will be approved only for the number of vehicles sufficient to transport those attending at the discretion of the CEO.

g. Employees who chose to use a privately owned vehicle when they have the option of riding with another employee attending the same meeting will not be reimbursed unless preapproved by the CEO.

h. Only one person in a vehicle may receive the reimbursement, regardless of the number of people in the vehicle.

4. Mileage Computation/Parking.

a. Mileage reimbursement will be computed based on the most economical (fastest or shortest) route.

b. Vicinity and/or local travel made during a UCIP business trip should be recorded separately from mileage between points of travel. Personal travel such as to restaurants, movies, etc. is not reimbursable.

c. If the Traveler uses a privately owned vehicle on approved UCIP business and is reimbursed for mileage, parking charges may be reimbursed at actual cost.

5. Insurance on Privately Owned Vehicles.

a. The reimbursement rate includes an amount for the cost of insurance of a privately owned vehicle.

b. Physical damage to a Traveler's privately owned vehicle is the responsibility of that individual or his/her insurance company. However, if the vehicle was being used on approved UCIP business travel at the time of the accident, the Traveler may be reimbursed their deductible up to $500.

c. An automobile liability claim arising during approved UCIP business travel against a Traveler is the responsibility of that individual or his/her insurance company. However, if the claim is in excess of the limits carried by the Traveler on their personal auto policy, a claim should be filed with UCIP.

6. Driving a Privately Owned Vehicle Instead of Using Commercial Airline.

a. A Traveler may drive a privately owned vehicle instead of flying if pre-approved by the CEO.

b. A Traveler may be reimbursed for meals, lodging and incidental Expenses (such as toll fees, parking fees, etc.) for a reasonable amount of travel time. However, if the total cost of the trip exceeds the equivalent cost of the airline trip the Traveler will be reimbursed the amount of the equivalent airline trip only.

c. The Traveler may be required to submit a schedule comparing the cost of driving with the cost of flying for the CEO to make a determination on approval. The schedule should show that the total cost of the trip driving compared to the total cost of the trip flying. The comparison should show the lowest airfare within 30 days prior to the departure date (15 to 30-day advance reservation), round trip mileage from home base to the airport, airport parking at the current long-term parking rate, and the cost of a shuttle, taxi or rental car.

7. Rental Vehicle Reimbursement.

a. Rental car use for approved UCIP business travel must be preapproved by the CEO. Rental car use, related to commercial airline travel, will be reimbursed the lesser of the total cost of rental or the cost of shuttle, taxi or other transportation options.

b. Rental car use, not related to commercial airline travel, will be reimbursed the lesser of the total cost of rental or the equivalent mileage reimbursement for privately owned vehicle use.

c. If the cost of a rental car for instate travel exceeds the cost of equivalent mileage reimbursement for personal vehicle use, the employee will be reimbursed the amount of the equivalent personal vehicle use reimbursement only.

8. Rental Vehicle Procedures.

a. When Travelers rent vehicles to be used for approved UCIP business the rental vehicle will be rented in their own name.

b. Travelers should purchase all insurance offered by the rental company.

c. The Traveler will be reimbursed the actual rate charged by the rental agency for a standard mid-sized car. Upgrades in size or model will not be reimbursed unless approved by the CEO due to unusual circumstance.

d. Employees with UCIP business credit cards may use the card to purchase fuel for rental vehicle.

SECTION I LODGING POLICY

1. Conference Hotel Lodging.

a. Generally, a designee of the ~~UCIP CFO~~CEO will reserve conference hotel lodging for employees. If the Traveler reserves conference hotel lodging, Travelers will be reimbursed the actual cost plus tax.

b. The Traveler should coordinate with the ~~CFO~~ CEO to make reservations but may make their own reservations for the conference hotel if special accommodations are needed.

c. Additional costs for special accommodations and incidental room charges are not reimbursable to the Traveler.

2. Non-Conference Hotel Lodging.

a. For lodging at a non-conference hotel secured by the Traveler, UCIP will reimburse the actual cost per night for single occupancy plus tax and any mandatory fees charged by the hotel not to exceed the GSA per diem lodging rate for the location.

b. UCIP will reimburse the actual cost per night plus tax and any mandatory fees charged by the hotel for non-conference travel stays when reservations are booked by ~~the CFO~~a designee of the CEO. If lodging is not available at the allowable GSA rate in the area the Traveler needs to stay, at a hotel approved by the ~~CFO~~CEO, ~~. In this circumstance,~~ the Traveler will be reimbursed at the actual rate booked plus tax and any mandatory fees charged by the hotel.

c. If a Traveler chooses to stay at a non-conference hotel other than one booked by a designee of the ~~CFO~~ CEO, that costs more than the GSA rate, the Traveler will only be reimbursed the for the GSA rate plus tax and any mandatory fees charged by the hotel.

d. Employees traveling less than 50 miles in excess of their normal office commute are not entitled to lodging reimbursement without preapproval of the CEO.

e. When UCIP pays for a person to travel to Utah for UCIP business, reimbursement will be made on the same basis as for an employee.

f. Exceptions will be allowed for unusual circumstances when approved by the CEO ~~or CFO~~ prior to the trip.

g. When lodging is required, Travelers should stay at the lodging facility nearest to the meeting/training/work location in order to minimize transportation costs.

3. Lodging Other Than A Motel/Hotel.

a. Travelers that stay with friends or relatives at a private residence rather than a motel/hotel will be reimbursed at the GSA per diem lodging rate with no receipts required.

b. Travelers that use personal campers or trailer homes instead of staying in a motel/hotel will be reimbursed at the GSA per diem lodging rate, whichever is less, with no receipts required.

SECTION J MEAL POLICY

1. Meals will be reimbursed based on the GSA meals and incidental Expense rates for the location. The allowance rates include tax, tips, and other Expenses associated with the meals.

2. When UCIP pays for a person to travel to Utah, the Traveler may be reimbursed up to the GSA meals and incidental Expense rates for the location.

3. Exceptions may be allowed for unusual circumstances when approved by the CEO ~~or CFO~~ prior to the trip.

4. Reimbursement is for the Traveler only. If more than the Traveler's meal is charged on a receipt, this must be deducted to reflect the Traveler's costs only.

5. Actual meal cost includes tax and tip.

6. Alcoholic beverages are not reimbursable.

7. Complimentary meals will not be reimbursed or paid a per diem when meals are included in the conference registration costs or when complimentary meals are provided by a hotel, motel, vendor and/or association.

8. Allowance Computation.

a. Breakfast will be reimbursed if travel begins prior to 6:00 a.m. Lunch will be reimbursed if travel begins prior to 10:00 a.m. and extends to 2:00 p.m. Dinner will be reimbursed if travel extends beyond 6:00 p.m.

b. The day travel begins the meal reimbursement the Traveler is entitled to is determined by the time of day needed to leave home to arrive at a reasonable time.

c. The day the travel ends the meal reimbursement the Traveler is entitled to is determined by the time of day the Traveler would return home by traveling at a reasonable time.

d. Tips and tax on meals are included in the per diem amount.

9. A Traveler to a foreign country may choose to accept the GSA per diem rate for the location of travel or be reimbursed the actual meal cost, with original receipts, not to exceed the GSA meal and incidental Expense rate for their location as of the date of travel.

10. Reimbursement is for the Traveler only.

11. If more than the Traveler's meal is charged on a receipt, this must be deducted to reflect the Traveler's costs only.

12. Actual meal cost includes tax and tip.

13. Alcoholic beverages are not reimbursable.

SECTION K ADDITIONAL REIMBURSABLE EXPENSES POLICY

1. Gratuities/tips are included as part of the GSA meals and incidental Expense rate.

2. Ground transportation Expense for all official business use of taxi, bus, and other ground transportation will be reimbursed at actual cost.

3. Parking Expense.

a. If the Traveler uses a privately owned vehicle or rental vehicle on approved UCIP business and is reimbursed for mileage, parking charges will be reimbursed at actual Expense.

b. Hotel parking will be reimbursed at actual Expense if it is not included on the hotel bill, in which case it will be reimbursed as lodging Expense.

4. Registration fees for conferences or courses should be paid in advance by the ~~CFO~~Accounting Specialist. If the Traveler must pay the registration when they arrive, the Traveler may use a UCIP business credit card if one is issued to them or may be reimbursed the registration at actual Expense.

5. Any other additional Expenses must be approved for reimbursement by the CEO.

6. Documentation for Additional Expenses.

a. Original receipts should be provided whenever possible. If a receipt is not provided to the employee or the receipt is lost, the employee shall provide a signed written statement of the Expense to the ~~CFO~~Accounting Specialist.

b. Receipts are not required for Expenses paid as a per diem.

7. If a third party will reimburse travel related Expenses of an employee that travels on UCIP time or for approved UCIP business, the Traveler may seek reimbursement from UCIP and assist with UCIP's reimbursement by the third party.

a. This option should be used if the third-party reimbursement is less than what would be allowed by this policy.

b. Employee must provide UCIP all documentation required by the third party for reimbursement.

8. If a third party will reimburse the travel related Expenses of an employee that travels on UCIP time or for approved UCIP business, the employee may seek direct reimbursement from the third party.

a. If the employee is reimbursed directly from the third party, documentation of such reimbursement must be provided to the ~~CFO~~ Accounting Specialist to assure there has been no duplication of reimbursement, and to retain for audit purposes.

b. In these instances, the maximum that the employee may be reimbursed for meals without tax consequence is the GSA meal and incidental rate for the location.

c. If the amount reimbursed by the third party is greater than allowed by this policy, the employee is responsible for any tax liabilities for the excess amounts.

9. If an employee receives reimbursement from a third party for Expenses that have been reimbursed by UCIP under this policy, the employee must deposit the total third-party reimbursement with the ~~CFO~~Accounting Specialist.

10. If unique circumstances may prevent a Traveler from following this policy, a request for an exception may be made to the CEO.

SECTION L ADVANCES POLICY

1. Advances for meals and incidentals are available at the discretion of the CEO.

2. If the Traveler has changes to their travel and are not eligible for reimbursement in the amount of the advance, the amount in excess of the advance will be deducted from other reimbursable Expenses submitted for the trip, or on future Expense statements at the discretion of the ~~CFO~~CEO.

3. Any exception to this policy must be approved in writing by the CEO.

4. If an advance has been made that was in excess of the actual Expense, and the excess amount may not be recoverable for any reason, the ~~CFO~~ CEO shall notify the Board of Directors at their next meeting of such circumstance.

SECTION M REVISION HISTORY

1. Adopted: August 18, 2016

2. Revised: February 16, 2017

3. Revised: August 17, 2017

4. Revised: August 22, 2018

5. Revised: October 24, 2019

6. Revised: June 18, 2021

7. Revised: July 1, 2022

8. Revised: October 25, 2023

SECTION N APPENDICES

1. US General Services Administration

UTAH COUNTIES INDEMNITY POOL
MINUTES, RECORDINGS AND RECORDS OF MEETINGS POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW.

1. The Board originally adopted the Written Minutes of Open Meetings – Public Records – Recordings of Meetings Policy on April 20, 2017.

2. This policy should be reviewed annually, but not less than every five years by the Board.

3. This policy will also be reviewed any time that changes to laws or rules governing the minutes, recordings or records of interlocal agencies are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. This policy outlines the policies and procedures of the Board related to written minutes, recordings and public records related to open public meetings of UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy applies to all “meetings” of UCIP when acting as a “public body” as defined by OPMA.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. OPMA: means the Utah Open and Public Meetings Act.

5. Recording: means electronic audio recording of meetings.

SECTION F POLICY STATEMENTS

1. It is the policy of the Board to comply with state law regarding written minutes, recordings and public records related to open public meetings.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. Within three business days after holding an open meeting, an audio recording of the open meeting will be available to the public for listening.

2. Pending minutes will be available to the public within a reasonable time after holding the open meeting that is the subject of the pending minutes.

3. Pending minutes will be submitted to the UCIP Board at their next meeting by the Secretary/Treasurer of the Board for changes, additions and approval by majority vote.

4. Minutes approved by the Board will be presented to the Chair of the Board for signature. Once approved by the Board and signed by the Chair of the Board, those minutes will be the official record of the open meeting that is the subject of the approved minutes.

5. Within three business days after approving written minutes, the approved minutes and any materials made available to the public at the meeting will be available to the public, and will be placed on both the State Public Notice website, and the UCIP website.

6. Written minutes or recordings of the open meetings will be maintained in accordance with the UCIP Records Retention Policy.

7. Closed sessions that are not required to be recorded shall not be recorded.

SECTION H REVISION HISTORY

1. Original Policy Adoption: April 20, 2017

2. Revised: April 19, 2018

3. Revised: June 21, 2019

4. Revised: June 18, 2021

5. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy.

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—GENERAL PROVISIONS

PURPOSE

The Utah Counties Indemnity Pool (UCIP) is a political subdivision of the State of Utah, governed by the UCIP Board of Directors (Board), operating under the laws of the State of Utah. The Board has adopted Personnel Policies to identify the rights, privileges, obligations and responsibilities of employment with UCIP and to provide the Board and UCIP management with clear direction in dealing consistently with all employees in the following areas:

- Recruiting, selecting, and advancing employees on the basis of their relative ability, knowledge, and skill levels, including open consideration of qualified applicants for employment;

- Providing equitable and adequate compensation and benefits;

- Training employees as needed to assure high quality performance and to provide the employee with the skills needed to meet the performance standards of their position;

- Retaining employees on the basis of the adequacy of their performance, correcting inadequate performance, and terminating employees whose inadequate performance cannot be corrected in a timely manner, or whose actions are of a type or severity as to require termination without attempting correction;

- Assuring non-discrimination for applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, religion, age or disability and with proper regard for their privacy and constitutional rights;

- Providing a formal procedure for processing appeals and grievances of employees without discrimination, coercion, restraint, or reprisal;

- Assuring that all dealings with applicants and employees are conducted in compliance with all State and Federal laws; and

- All other actions dealing with employees to assure that UCIP provides a safe, productive, professional workplace to all employees.

AUTHORITY

The UCIP Board establishes the policies and procedures under the authority granted to it under the UCIP Interlocal Agreement. The Board may alter, amend, or supplement these policies and procedures at any time.

SCOPE

Policies and procedures apply to all UCIP employees. No individual director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

GENERAL PROVISIONS

Employee Receipt of Policies

The Chief Executive Officer (CEO) shall assure that these Personnel Policies are provided to every employee of UCIP with reasonable training on all requirements, restrictions, limitations and benefits enumerated in these Personnel Policies. The CEO shall assure these Personnel Policies are reviewed with each employee at hire and annually, and that all training required or indicated in these Personnel Policies are provided. Each employee shall be required to sign the Receipt of Personnel Policies provided at the time of such review, and such receipt shall be filed and maintained in the employee's personnel file.

Savings Clause

If any provision of these Personnel Policies and procedures, or the application thereof, are found to be in conflict with any State or Federal law or regulation, these policies and procedures shall be considered amended to the extent necessary to comply with such law or regulation.

Protection of Personal Information

UCIP will take reasonable steps to protect the personal information of its employees and all other persons in its possession in compliance with all applicable State and Federal laws related to the protection of personal identification information and personal health information.

UCIP has signed the Electronic Trading Partner Agreement with the Utah Retirement Systems. As a condition of this Agreement, UCIP has adopted the following policy statement: UCIP will prevent the improper use or disclosure of personal information regarding its employees' status, contributions and/or benefits, or any other personal information arising from enrollment or participation in the Utah Retirement Systems.

Fair Labor Standards Act (FLSA)

UCIP will comply with all applicable provisions of the FLSA. All position descriptions will identify the position classification as exempt or non-exempt according to FLSA definitions.

Family Medical Leave Act (FMLA)

As a small employer, UCIP is exempt from the provisions of the FMLA.

Required Training

Employees who have been appointed by the Board as the Clerk, in accordance with the Internal Accounting Controls Policy, and Records Officer, in accordance with the Records Retention Policy, must successfully complete annual online training.

All employees shall attend annually discrimination, ethics, fraud, harassment, cybersecurity awareness and any other training that the Board and/or CEO may require.

The CEO may require employees to continue their education to hold specific designations that benefit UCIP.

Work Hours

Office ~~Hours~~ hours are weekdays from 8:00 a.m. until 4:30 p.m. All ~~full-time~~ employees are expected to work their assigned schedule. Work hours for ~~part-time~~ employees will be determined by the ~~employee's supervisor~~CEO. Employees are expected to coordinate with other employees and their supervisors to assure the office is appropriately staffed for receiving guests and phone calls throughout the ~~workday~~office hours. Employees are normally expected to be present during all other work hours unless special arrangements are made with the CEO from time to time for cause.

~~After Memorial Day and prior to Labor Day of each year, the CEO may implement at their discretion a "summer flex hours" program. A flex hour program shall not exceed a program of employees working 10 hours a day for four days a week, and in no case shall a flex hour program create the need for payment of overtime to any employee. The CEO may make changes to the flex hour program at any time at their sole discretion.~~

Each employee will be allowed a paid thirty minute lunch period. An employee's lunch time may exceed thirty minutes as authorized by the CEO. Generally, employees are not allowed to skip their lunch break to leave work early.

REVISION HISTORY

Adopted: April 21, 2022

Revised: October 25, 2023

APPENDICES

There are no appendices to this policy

RECEIPT OF PERSONNEL POLICIES

I, the undersigned employee, have received a copy of the Utah Counties Indemnity Pool (UCIP) Personnel Policies (Policies) and have had an opportunity to review its contents including all statutes referred to therein with management and ask questions relating thereto.

I understand these Policies is provided to me to assist in understanding the rights, privileges, obligations and responsibilities of employment with UCIP and I agree that nothing in these Policies, or any omission to these Policies, is meant as creating a contractual relationship between UCIP and myself.

I understand these Policies and procedures as well as the benefits provided by UCIP to its employees may be amended from time to time by action of the UCIP Board of Directors, and that the Board of Directors reserves the right to amend, alter, or revoke any policy, practice, benefit, or employment condition, at any time, or for any reason, with or without notice.

__________________________ ____________________

Employee Signature **Date**

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYEE RECRUITMENT POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee leave are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to recruit and select employees on the basis of their relative ability, knowledge and skill levels, including open consideration of qualified applicants for employment.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This Policy is applicable to all applicants for UCIP employment. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Pool: the Utah Counties Indemnity Pool.

5. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. To provide the Board and the UCIP management with direction for the recruiting, selecting and advancing employees on the basis of their relative ability, knowledge and skill levels, including open consideration of qualified applicants for employment.

2. UCIP is an equal opportunity employer. UCIP will comply with Federal and State non-discrimination laws with respect to employment on the basis of race, color, national origin, sex, age, disability, religion or other protected status under State or Federal law. UCIP will comply with Title VII, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act and other applicable laws relating to non-discrimination in employment.

3. Assuring that all dealings with applicants are conducted in compliance with all State and Federal law.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. ~~Recruiting~~Recruitment and Selection Process

a. Hiring steps might vary across positions, but UCIP aims for a process that is equitable and effective in hiring qualified people. UCIP may follow these steps in the recruitment and selection process:

i. Identify the need for a new job opening.

ii. Decide whether to hire externally or internally.

iii. Review job descriptions and write a job advertisement.

iv. Select appropriate sources (external or internal) to post job opening.

v. Decide on hiring stages and possible timeframes.

vi. Review resumes.

vii. Source passive candidates.

viii. Screen and interview top candidates.

ix. Run background checks and check references.

x. Select the most suitable candidate.

xi. Make an official offer.

b. UCIP's hiring team may have different responsibilities, therefore, hiring steps may overlap or steps may be skipped when appropriate.

c. Throughout the hiring process, UCIP will keep candidates informed.

2. Background Checks

a. UCIP may conduct background checks on final candidates in accordance with all State and Federal law.

b. UCIP will ensure that candidates understand UCIP's intentions.

c. UCIP will conduct a background check only with the candidates' permission.

3. UCIP encourages referrals from staff, the Board and Members for open job positions. Referral bonuses are not allowed.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Amended: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYMENT CLASSIFICATION POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing ~~employee~~ employment ~~compensation~~ classification are amended or recommendations are made by the UCIP CEO ~~or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to identify employee classification for purposes of determining benefits provided to an employee.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool~~.

4. Pool: the Utah Counties Indemnity Pool.

5. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. UCIP employment classifications are generally designated as either full-time or part-time positions. Each job description shall state whether the position is a full-time, part-time, or temporary position and if it is an exempt or non-exempt position for purposes of the Fair Labor Standards Act (FLSA).

2. All new and rehired employees will work on an introductory basis for the first ~~90~~ 180 calendar days after their date of hire or rehire. The introductory period is intended to give new or returning employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. UCIP management will use this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or UCIP may end the employment relationship at will at any time during the introductory period, with or without cause or advance notice.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Full-Time Positions**

Employees, who work thirty (30) or more hours per week in a permanent position (1560 hours or more annually), are full-time employees.

2. **Part-Time Positions**

Employees who work less than thirty (30) hours per week on a continuous or recurring basis (1559 hours or less annually) are part-time employees.

3. **Temporary Positions**

Employees hired on a project basis. Any single project may not exceed 40 hours of work during a period not to exceed 30 days.

4. **Volunteers**

~~The p~~Persons providing services to UCIP in a volunteer position shall be authorized by the Board. Volunteers are considered employees only to the ~~extend~~ extent provided for under UCA 67-20-3.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy.

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYMENT TERMINATION POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee compensation are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to identify the circumstances and procedures for termination of employment with UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Pool: the Utah Counties Indemnity Pool.

5. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. The manner in which employment with UCIP is terminated will impact the benefits provided and procedure for termination.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. An employee's employment with UCIP may terminate in the following ways:

a. **Resignation**

Employees may resign at any time. However, as a courtesy, UCIP requests that employees give a minimum of two weeks written notice so that UCIP has time to prepare final paperwork and arrange to assure minimal disruption to member service. Any earned and/or accrued Vacation and Sick leave will be paid at the time of resignation in accordance with the Employee Leave Policy.

b. **De-facto Resignation**

Employees who are absent from work for three consecutive days and are capable of providing notice to their supervisor, but fail to do so, are considered to have voluntarily resigned.

c. **Involuntary Termination**

UCIP may terminate an employee's employment at any time.

d. **Retirement**

Employees may retire at any time. However, as a courtesy, UCIP requests that employees give a minimum of two weeks written notice so that UCIP has time to prepare final paperwork and arrange to assure minimal disruption to member service. Any earned and or accrued Vacation and Sick leave will be paid in accordance with the Employee Leave Policy.

Any employee who is terminated through de-facto resignation or involuntary termination shall be provided the ability to file a grievance in accordance with the Grievance and Appeal Process Policy.

2. **Termination Pay**

Employees whose employment with UCIP is terminated will be paid the wages due them at the next regularly scheduled payday, after their final workday as determined by the CEO. Dental, Health and Vision Benefits will terminate effective the last day of the month of the employees termination. UCIP will pay earned and accrued Vacation and Sick leave due the employee in accordance with the Employee Leave Policy. To allow for an audit of accrued Vacation and Sick leave and any other compensation and/or deductions provided for under UCIP Policies, final payment due the employee, if any, will be paid at the next regularly scheduled payday following the payday on which wages due were paid.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy.

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYEE COMPENSATION POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee compensation are amended or recommendations are made by the UCIP CEO ~~or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to provide equitable and adequate compensation to employees of UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. COLA: Cost of Living Adjustment.

5. Compensatory Hours: Hours accrued for approved overtime.

6. Overtime Rate: One and one-half of the employees wage rate paid for approved overtime.

7. Pool: the Utah Counties Indemnity Pool.

8. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. All compensation provided to UCIP employees will be determined or approved by the UCIP Board of Directors. The UCIP Board may alter, amend, or supplement these policies and procedures at any time to the extent allowed by law.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Wages**

It is the intent of UCIP to provide its employees with wages competitive with other similar employers in the Salt Lake County area and with other similar governmental risk pools. Employee wages will be determined by the UCIP Board and may be set based on analysis of wages for similar employers in the Salt Lake County area, similar governmental risk pool employers and in consideration of other benefits provided to similar employees to recognize the value of each employee’s total compensation package.

a. **Cost of Living Adjustments**

Adjustments to wages related to cost of living are recommended by the CEO, and approved at the sole discretion of the UCIP Board.

(i) Employee salaries may be adjusted annually to protect them from inflation of the local economy. COLA will be paid only if funds are available in the budget, and at the sole discretion of the Board.

(ii) The UCIP Board may consider in part the percentage increase (if any) of the U.S. Department of Labor, Consumer Price Index for the Western Region as reported in October of each year, when considering any COLA type wage adjustment.

b. **Merit Adjustment**

A Merit adjustment to wages may be recommended by the CEO for exemplary performance by an employee in their position.

(i) Merit wage increases may only be granted upon recommendation of the CEO and approval of the UCIP Board.

(ii) The effective date of any merit increase shall be the first pay period of the calendar year, unless otherwise authorized by the UCIP Board.

c. Classification or Job Duties Adjustment

Adjustments to wages related to change in classification and/or job duties may be recommended by the CEO, and approved at the sole discretion of the UCIP Board.

2. **Overtime**

a. To achieve effective budget management, overtime hours are generally not allowed. Employees may not work overtime hours without prior approval by the CEO.

b. The CEO may adjust an employee's work hours within a pay period to avoid an employee working overtime (over 40 hours in a pay period).

c. Approved overtime hours may be compensated as Compensatory Hours at a rate of one and one-half overtime hours worked. Total Compensatory Hours accrued may not exceed 20 hours. To achieve effective budget management, UCIP's preference is to have employees utilize Compensatory Hours within the current or following pay period of the hours being accrued. Compensatory Hours may be used by the employee at any time unless the use of the hours, at the time requested, would unduly disrupt UCIP operations in the opinion of the CEO.

d. Compensatory Hours exceeding 20 hours maximum will be paid at the Overtime Rate no later than the pay period following the end of the pay period that the excess hours are accrued.

e. Approved overtime hours may be paid at the Overtime Rate at the employees request.

3. **Bonuses**

It is the policy of the UCIP Board not to provide bonuses to its employees.

4. **Employee Award**

Employee awards may be recommended by the CEO in appreciation of efforts on behalf of UCIP. All awards shall be approved by, and at the sole discretion of, the UCIP Board. The value of employee awards may not exceed $250 per employee annually.

5. **Auto Allowances**

The UCIP Board has approved an Auto Allowance at a rate identified below to be paid to specific employees that regularly use their personal vehicle for travel for authorized UCIP business. The Auto Allowance is considered income for purposes of taxable income and will be reported by UCIP as taxable income paid to the employee.

Auto Allowance is approved for the CEO at a rate of $750 per month.

6. **Payroll Procedures**

Paydays will be twice a month, on the fifteenth and the last day of the month. If a payday falls on a Saturday, Sunday, or legal Holiday, UCIP will pay wages earned during the pay period on the day preceding the Saturday, Sunday, or legal Holiday.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: June 16, 2022

3. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYEE BENEFITS POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee retirement benefits are amended or recommendations are made by the UCIP CEO ~~or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to identify equitable and adequate Medical and Other Benefits of employment with UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Full-Time Employee: As defined in the Employment Classification Policy.

5. Part-Time Employee: As defined in the Employment Classification Policy.

6. Pool: the Utah Counties Indemnity Pool.

7. Temporary Employee: As defined in the Employment Classification Policy.

8. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

UCIP provides medical and other benefits to eligible employees based on their employee classification. Full-time employees are eligible for all medical and other benefits described in this Policy, unless specifically excluded. Part-time employees are eligible for medical and other benefits as described throughout this Policy to the extent identified. Temporary employees are not eligible for any medical benefits or required by law.

Medical Benefits are provided to promote the health and wellbeing of UCIP employees which also benefits UCIP by making its employees more productive. Employees who opt out of medical benefits will not receive compensation in lieu of the benefit.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Medical Benefits**

a. **Health Insurance**

Health Insurance for eligible employees begin at the date of hire. For the UCIP sponsored group Health Insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

b. **Dental Insurance**

Dental Insurance for eligible employees begin at the date of hire. For the UCIP sponsored group Dental Insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

c. **Vision Insurance**

Vision Insurance for eligible employees begin at the date of hire. For the UCIP sponsored group Vision Insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

2. **Early Retiree Medical Benefits**

An Early Retiree is:

a. A retiring current UCIP employee;

b. Who has worked for UCIP ten years or more;

c. Who is retiring from UCIP in good standing;

d. Who is not Medicare eligible at the time of retirement;

e. Who has participated in UCIP's medical benefits program for ten years or more;

f. Who is retiring under the Utah Retirement Systems.

An Early Retiree may elect to continue medical benefits consisting of dental, health and vision benefits, as provided for by UCIP's Medical Benefits Health Insurance provider(s). An Early Retiree who worked less than 20 years prior to retirement may continue these benefits for no more than five years or until Medicare eligible, whichever comes first. An Early Retiree who worked more than 20 years prior to retirement may continue these benefits for no more than ten years or until Medicare eligible, whichever comes first.

As UCIP pays medical benefits one month in advance of the coverage period, ~~An~~ an Early Retiree electing this benefit shall pay UCIP, one month in advance of the coverage period, the full monthly rate of Early Retiree monthly medical benefits. Payment to UCIP is due at the first of each month. If payment is more than ten days late this Early Retiree benefit may be ~~terminates~~ terminated at the CEO's discretion. In no case will UCIP pay the benefit on behalf of the employee, if the employee has not paid UCIP, which will terminate the benefit and the Early Retiree is no longer eligible for this benefit.

An Early Retiree acknowledges that they are not eligible for continuing benefits (COBRA or mini COBRA) prior to or after their Early Retiree period.

An Early Retiree may terminate Early Retiree medical benefits at the end of any month with written notice by the first of the month of the last month of participation. Once an Early Retiree terminates this benefit, they are no longer eligible for this benefit.

3. **Health Reimbursement Arrangement**

The Board has adopted a Health Reimbursement Arrangement (HRA) in accordance with Internal Revenue Service Rules.

a. For each calendar month a full-time employee scheduled to work 1040 or more hours annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), $50 up to a maximum of $600 per year.

b. For each calendar month a part-time employee scheduled to work less than 1040 annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), $25 up to a maximum of $300 per year.

c. Unused amounts in the HRA at the end of the calendar year can be carried forward for reimbursement in later years.

d. Employees may request to be reimbursed the cost of a qualified medical expense, as defined in Section 213(d) of the IRS Code. The qualified medical expense must have been incurred on or after the date an employee is enrolled in the HRA program and prior to the employee's termination from employment.

e. Employees terminated from employment must submit a valid reimbursement request within 60 days of the date of termination from employment.

4. **Other Benefits**

a. **Group Term Life Insurance**

The UCIP sponsored group Term Life coverage is available to full-time employees only. UCIP pays 100% of the monthly premiums for $50,000 coverage for the employee and 100% of the monthly premium for $10,000 coverage for the employee's spouse and eligible dependents.

Employees can apply for additional group Term Life limits, through UCIP's group Term Life carrier. The cost of additional group Term Life limits are the responsibility of the employee.

b. **Long Term Disability Insurance**

The UCIP sponsored group Long Term Disability coverage is available to full-time employees only. UCIP provides a benefit for lost wage replacement for employees in the event of a long term disability. UCIP pays 100% of contributions to the Fund created under the Public Employees' Long Term Disability Act, Utah Code Ann. §49-21-101 et. seq. 1953 as amended ~~(the Act)~~.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYEE RETIREMENT POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee retirement benefits are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to provide equitable and adequate retirement benefits of employment with UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Pool: the Utah Counties Indemnity Pool.

5. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

UCIP provides retirement benefits to eligible employees based on their employee classification. Full-time employees are eligible for all retirement benefits described in this section, unless specifically excluded. Part-time employees are eligible for discretionary benefits as described throughout this Section to the extent identified. Temporary employees are not eligible for any discretionary benefits unless required by law.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Retirement**

a. In order to help its full-time and part-time employees plan and prepare for retirement, UCIP participates in the Local Government Public Employees' Noncontributory Retirement System administered by the Utah Retirement Systems (URS), as set forth in Utah Code Ann. §49-13-101 et. seq., 1953 as amended. UCIP contributions to the URS Local Government Public Employees' Noncontributory Retirement System are made in addition to, and not deducted from, eligible employee's regular pay. Eligibility of part time employees will be determined by the rules of the URS plans.

b. UCIP will provide matching contributions to the URS 401(k) Plan, the URS 457(b) Plan and/or the Nationwide 457(b) Plan. Employees who contribute into individual retirement accounts through payroll deduction will receive matching contributions from UCIP. All matching contributions will be deposited into the URS 401(k) Plan, the URS 457(b) Plan, and/or the Nationwide 457(b) Plan at the employee's discretion. The total UCIP matching contributions shall not exceed five percent of the employee's eligible payroll. Employees will be allowed to have additional amounts deducted from their regular pay to contribute to these plans, based on the policies of each plan.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYEE LEAVE POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee leave are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to outline leave time available to employees of UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. FMLA: Family Medical Leave Act.

5. Pool: the Utah Counties Indemnity Pool.

6. UCIP: the Utah Counties Indemnity Pool.

7. USERRA: Uniformed Services Employment and Reemployment Rights Act.

SECTION F POLICY STATEMENTS

1. UCIP provides leave time to eligible employees based on their employee classification. Full-time employees are eligible for all leave benefits described in this Policy, unless specifically excluded. Part-time employees are eligible for leave benefits as described throughout this Policy to the extent identified. Temporary employees are not eligible for any discretionary benefits unless required by law.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Holidays**

UCIP will provide the following paid Holidays to full-time employees only:

a. The first workday of January—New Year's Day;

b. The third Monday of January—Martin Luther King Day;

c. The third Monday of February—Presidents' Day;

d. The last Monday of May—Memorial Day;

e. The third Monday of June (UCA 63G-1-301)—Juneteenth National Freedom Day;

f. The 4th of July—Independence Day;

g. The 24th of July—Pioneer Day;

h. The first Monday of September—Labor Day;

i. The second Monday of October—Columbus Day;

j. The fourth Thursday and Friday of November—Thanksgiving Day;

k. The 24th of December—Christmas Eve; and

l. The 25th of December—Christmas Day.

When a paid Holiday falls on a Saturday, the paid Holiday will be observed on the Friday preceding the Holiday. When a paid Holiday falls on Sunday, the paid Holiday will be observed on the Monday following.

If the observed Holiday falls on another Holiday the CEO will determine the day that the Holiday will be observed.

Should a paid Holiday occur while an employee is on Vacation, the employee will not be charged with Vacation on the day of the paid Holiday.

To be eligible for Holiday pay an employee must work the regular scheduled day prior to the Holiday, or the first regular scheduled day after the Holiday, or be on an authorized paid leave using Vacation pay, Sick leave pay, FMLA or USERRA.

If the CEO requests an employee to work on a scheduled paid Holiday the employee may use the day as a floating paid Holiday to be used prior to the end of the calendar year.

2. **Vacation**

Vacation leave is provided to allow employees a break from their work duties to rest and reinvigorate. UCIP may require employees in fraud sensitive positions to take a minimum number of days of Vacation per year. It is UCIP's intent to incent employees to use Vacation leave in the year it is earned. A policy to carry over Vacation leave is provided to allow employees to plan for extended Vacations, and is not meant as a means for employees to "bank" significant Vacation leave. It is also UCIP's intent to incent employees to use Vacation leave in blocks of several days, rather than a day or two at a time. UCIP will provide paid Vacation to employees according to the following:

a. Full-time employees with less than five years of service earn Vacation leave at the rate of four hours of Vacation leave for every full pay period worked, not to exceed 96 hours per calendar year. Full-time employees with more than five but less than ten years of service earn five hours of Vacation for every full pay period worked, not to exceed 120 hours per calendar year. Full-time employees with ten years of service and over earn 6.68 hours of Vacation for every full pay period worked, not to exceed 160 hours per calendar year.

b. Part-time employees scheduled to work less than 1,040 hours annually earn Vacation leave and are limited by the calendar year maximum at one-half the rate of a full-time employee.

c. Vacation leave may be advanced to employees with the approval of the CEO. Advanced Vacation leave requests totaling more than five days must be submitted to the UCIP Board for approval. Advanced Vacation leave not earned prior to a termination will be deducted from the employee's final paycheck.

d. At the discretion of the CEO an employee may be allowed to be paid out all or part of their earned Vacation leave, at the current rate of pay.

e. Vacation hours may be carried forward to succeeding years. However, no more than 360 hours may be carried forward to succeeding years. All accumulated Vacation leave in excess of 360 hours at the end of the calendar year will be paid to the employee at the current rate of pay at the last pay period at the end of the calendar year.

f. Vacation leave may be used in increments of no less than one half (½) hour.

g. Employees may generally use their Vacation leave anytime; however, to assure quality of member service, all Vacation leave must be approved in advance by the employee's supervisor. To allow adequate time for the supervisor to consider requests for Vacation leave, employees are encouraged to request Vacation leave as far in advance as possible, but generally, not less than one week in advance of the beginning of the Vacation period. If an employee feels their supervisor's denial of Vacation leave is unreasonable, they may ask for a review of the request for Vacation leave by the CEO.

h. Legal Holidays occurring while an employee is on Vacation leave are not deducted from an employee's accrued Vacation leave.

i. Unless required by law, employees do not earn Vacation leave while on an unpaid leave of absence unrelated to an injury or illness, when a period of an employee's own illness or injury exceeds 45 days, or when temporary total disability, due to a work related injury, exceeds 45 days.

j. Vacation hours may not be used for a work related injury or illness covered by workers compensation benefits.

3. **Sick Leave**

UCIP will provide compensated Sick leave to full-time and part-time employees who cannot perform their normal duties as a result of non-work related illness, injury or physicians visits related to non-work related illness or injury. Employees are encouraged to build up Sick leave so that days are available for serious illness. Employees who regularly use up Sick leave will be counseled regarding the difficulties such a practice may create. Sick leave is considered a privilege and employees should use it responsibly. Intentional misuse of Sick leave may be grounds for discipline, up to and including termination.

a. Full-time employees earn Sick leave at a rate of four hours of leave for every full pay period worked, not to exceed 96 hours per calendar year.

b. Part-time employees scheduled to work 1,040 or more hours annually earn Sick leave at one-half the rate and are limited by the calendar year maximum of a full-time employee.

c. Sick leave hours may be carried forward to succeeding years. However, no more than 600 hours may be carried forward to succeeding years. All accumulated Sick leave above 600 hours at the end of the calendar year will be converted to Vacation leave, at the end of the calendar year, at the rate of eight hours earned Sick leave equals four hours Vacation leave.

d. An employee may not be allowed to be paid out all or part of their earned Sick leave, except at termination as described in this section.

e. The Sick leave hours earned by employees who leave UCIP service for any reason other than De-facto Resignation or Involuntary Resignation, as described in this Policy, will be converted to Vacation leave at the rate of eight hours earned Sick leave equals four hours Vacation leave and paid out as Vacation leave at the next regularly scheduled payday.

f. Sick leave may not be converted to Vacation leave for purposes other than at termination or carrying over the maximum Sick leave hours at year end as described in this section.

g. Employees may take Sick leave for personal illness or to care for sick family members (spouse, child, other dependent or parent).

h. Employees taking Sick leave should provide notice at least one hour prior to beginning of shift in order to minimize disruption to the workplace.

i. Use of Vacation leave for absence from work due to an employee's own illness or injury will only be allowed when the employee has exhausted all earned and accrued Sick leave.

j. After exhausting all accrued Sick and Vacation leave, the employee may be considered to be on an unpaid leave of absence at the discretion of the CEO.

k. Sick leave may be taken in increments no less than one half (½) hour.

l. Legal Holidays occurring while a full-time employee is ill will not be deducted from an employee's earned or accrued Sick leave.

m. Unless required by law, employees do not earn Sick leave while on an unpaid leave of absence, when a period of an employee's own illness or injury exceeds 45 days, or when temporary total disability, due to a work related injury, exceeds 45 days.

n. After three consecutive days of Sick leave the CEO may require an employee to provide a doctor's certificate with respect to any Sick leave taken. If such certificate is not provided, the employee's absence may be considered absence without leave at the discretion of the CEO.

o. After three consecutive days of Sick leave the CEO may require an employee to provide a doctor's certificate with respect to the employee's ability to return to work, prior to the employee returning to work.

p. Sick leave may not be used for a work related injury or illness with the exception of the first three days of a short term disability if those days are not covered by workers compensation benefits.

4. **Bereavement Leave**

UCIP will grant bereavement leave to employees who suffer the death, including miscarriage or stillbirth, of a member of the immediate family, or a close relative. It is the intent of UCIP to be considerate of an employee's special needs and to be supportive at the time of the death of a loved one.

Accordingly, UCIP will provide the employee with paid time off from work to attend the funeral and to fulfill other responsibilities before the funeral without charge to the employee's earned or accrued Sick or Vacation leave.

If an employee suffers the death of a close relative, and requests time off from work during the period of bereavement, the CEO may approve the request based on the following:

a. The necessity and appropriateness of the time off. The employee should be attending the funeral and/or have certain responsibilities to fulfill before the funeral.

b. The amount of time off:

(i) If the deceased was a dependent of an employee, the employee may have paid time off up to five (5) days at the discretion of the CEO.

(ii) For other close relatives the employee may have paid time off for the day of the funeral.

c. The pay for bereavement leave will be based on the employee's current rate of pay and the number of hours in the employee's normal work week. Employees may request additional days off and use accrued Vacation or leave without pay, as approved by the CEO.

d. In the event of the death of a member of the immediate family while an employee is on Vacation, Vacation hours will not be charged by the amount of time normally authorized as outlined above.

5. **Jury Duty**

Every employee will be granted an unpaid leave of absence when subpoenaed or ordered to appear as a juror or witness by the Federal Government, State of Utah, or political subdivision thereof. If the employee turns over the juror or witness fee to UCIP along with a copy of the subpoena, UCIP will pay the employee's regular compensation during the period of jury service. Travel time to or from juror or witness duty is also considered an approved absence, but UCIP will not pay any overtime regardless of the amount of jury service time and jury travel time. UCIP will not pay for jury duty related mileage regardless of whether the subpoena requires travel during work hours.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYEE EDUCATION ASSISTANCE POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee ~~leave~~ education assistance are amended or recommendations are made by the UCIP CEO ~~or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to encourage employees to seek further education to perform their jobs more effectively and to enhance their professional development.

2. Training employees as needed to assure high quality performance and to provide the employee with the skills needed to meet the performance standards of their position.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Pool: the Utah Counties Indemnity Pool.

5. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. UCIP may subsidize the education expenses of employees under specified circumstances. Education assistance is subject to availability of funds in the budget year that education assistance is requested, and applies only to full-time employees.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Program Eligibility**

The education program must provide a benefit to UCIP by directly relating to the work the employee currently performs or will be required to perform. Eligibility of the education program will be determined by, and must be approved by, the CEO.

2. **Reimbursement**

Education assistance shall not exceed $~~500~~ 1,000 in any one year. Tuition costs shall not be carried into the next budget year for reimbursement.

3. **Procedures**

a. Employees are encouraged to attend classes and study during non-working hours. In the alternative, the CEO may flex an employee's work schedule to allow the employee to attend classes and study for exams.

b. To receive education assistance, an employee must receive approval from the CEO prior to commencement of the class. Employees are encouraged to discuss education assistance well in advance of the commencement of classes, to allow the expense to be appropriately budgeted.

c. To be reimbursed, the employee must complete the approved class with a final grade of "C" or better. If the course is only offered on a pass/fail basis, the employee must receive a passing grade.

d. The employee must submit proof of a satisfactory grade and proof of tuition payment to the CEO prior to reimbursement.

4. **Required Classes**

If UCIP requires an employee to attend an education program or class, UCIP shall pay the full cost of the program or class.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—STANDARDS OF CONDUCT POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee standard of conduct are amended or recommendations are made by the UCIP CEO ~~or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to assure non-discrimination for applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, religion, age or disability and with proper regard for their privacy and constitutional rights and to assure that UCIP provides a safe, productive, professional workplace to all employees.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. Business Credit Card: A line of credit approved by the Board under the Internal Accounting Controls Policy.

3. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

4. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

5. Pool: the Utah Counties Indemnity Pool.

6. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. UCIP expects its employees to conduct themselves diligently, professionally and honorably in their assignments on behalf of the public. Employees should:

a. Work diligently on their assigned duties during their assigned work schedules;

b. Make prudent use of UCIP funds, equipment, buildings, supplies, and time;

c. Work courteously with coworkers and the public;

d. Observe workplace rules of conduct and safety;

e. Meet the standards of their individual job descriptions; and

f. Report and correct circumstances that prevent employees from performing their jobs effectively or completing their assigned tasks.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Absence Without Leave**

No employee may be absent from duty without permission. All employees should notify their supervisor, ~~the CFO,~~ or the CEO prior to an absence. In emergency situations where prior notification is not possible, the employee should provide notification as soon as possible.

If a pattern (two or more) of unexplained or unexcused absences develops, employees may be subject to a discipline, up to and including termination.

2. **Drug Free Workplace**

The purpose of this section is to implement ~~the Federal Drug Free Workplace Act of 1988~~policy~~,~~ providing for a safe and productive work environment that is free from impaired performance caused by employee use or abuse of controlled substances, medication, and/or alcohol. This Policy establishes procedures for controlling drug or alcohol use or abuse in the workplace and applies to all employees.

a. Responsibility of Employees

(i) No employee shall unlawfully manufacture, dispense, possess, use, or distribute any controlled substance, medication, or alcohol.

(ii) Any employee convicted under a State or Federal law regulating controlled substances shall notify his or her supervisor within five (5) days after the conviction.

(iii) No employee shall consume alcohol immediately before work, during work hours while at work, during breaks, or during lunch. No employee shall be impaired by alcohol, illegal drugs, or medication during work hours. No employee shall represent UCIP in an official capacity while impaired by alcohol, illegal drugs, or medication.

(iv) If an employee is using medication that may impair performance of duties, the employee shall report that fact to his or her supervisor. No employee using medication that may impair performance shall operate a motor vehicle on behalf of UCIP.

b. Reasonable Suspicion Testing

(i) Any employee who has reason to believe that the performance of another employee is impaired by alcohol, illegal drugs, or medication shall notify the impaired employee's supervisor. If at any time a supervisor concludes that there is reasonable suspicion that an employee is impaired by alcohol, illegal drugs or medication, the supervisor shall require the employee suspected of being under the influence of alcohol and/or drugs to submit to a chemical test of their bodily fluids. Refusal to submit to a test shall be deemed a violation of this Policy subject to disciplinary action, up to and including termination. The cost of the test shall be paid by UCIP.

c. Corrective Action

(i) The CEO or the supervisor of an employee, whose performance is impaired by alcohol, illegal drugs, or medication, shall take corrective action, which may include discipline.

(ii) Upon taking corrective action, the CEO shall prepare a written report stating the reasons for the action.

(iii) An employee impaired by illegal drugs or alcohol during work hours shall be relieved from duty and shall be charged earned or accrued Vacation leave for the absence.

(iv) An employee impaired by medication during work hours may be relieved from duty and shall be charged earned or accrued Sick leave for the absence.

(v) The CEO may change an employee's assignment while the employee is using medication if the employee is impaired by the medication.

3. **Non-Discrimination**

UCIP is an equal opportunity employer. UCIP will comply with Federal and State non-discrimination laws with respect to employment on the basis of race, color, national origin, sex, age, disability, religion or other protected status under State or Federal law. UCIP will comply with Title VII, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act and other applicable laws relating to non-discrimination in employment.

Employment at UCIP will be based upon the applicant or employee's relative ability, knowledge, and skill levels, and ability to perform the essential functions of the job.

4. **Discrimination/Harassment Based on Protected Status**

UCIP believes that a workplace free from hostile, intimidating, or offensive behavior is the most productive workplace. Employees should use courtesy and professionalism when interacting with coworkers, member representatives and others they come in contact with as part of their UCIP duties. Employees who discriminate or harass others based upon their race, color, religion, gender, national origin, age, disability or other protected status create liability for UCIP and are subject to discipline, up to and including termination. All employees should work together in a professional manner with courteous, mutual respect.

Discrimination or Harassment based on race, color, religion, gender, national origin, age, disability or other protected status encompasses a wide range of behaviors, including racially based derogatory comments, taunting, or treatment. Examples of protected status harassment may include, but are not limited to, the following:

a. Slurs or put-downs based on race, color, religion, gender, national origin, age or disability.

b. Materials such as cartoons or e-mails making fun based on race, color, religion, gender, national origin, age or disability.

Liability related to gender based discrimination often referred to as sexual harassment is a significant concern for UCIP. Sexual harassment has been defined by the courts as "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature and constitute sexual harassment when: 1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; 2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment".

All employees are responsible for ensuring that the workplace is free from all forms of sexual harassment. Sexual harassment encompasses a wide range of behaviors, including sexual attention, sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature. Examples of sexual harassment may include, but are not limited to the following:

a. Implying or threatening adverse employment action if sexual favors are not granted;

b. Promising preferential treatment in return for sexual favors;

c. Subtle pressure for sexual activity;

d. Inappropriate touching of any individual, including but not limited to petting, pinching, hugging, or repeated brushing against another individual's body;

e. Offensive remarks, including unwelcome comments about appearance, obscene jokes, or other inappropriate use of sexually explicit or offensive language;

f. The display of sexually suggestive objects or pictures;

g. Disparaging remarks about a person's gender;

h. Spreading stories about a person's sexual conduct;

i. Asking questions about a person's sexual activity;

j. Physical aggression such as pinching or patting;

k. Verbal sexual abuse disguised as humor;

l. Obscene gestures;

m. Horseplay or bantering of a sexual or off-color nature;

n. Other actions of a sexual nature that affect the terms and conditions of a person's employment; and

o. Conduct or comments consistently targeted at only one gender, even if the content is not sexual.

As with other forms of discrimination and harassment, UCIP considers prompt reporting of sexual harassment to be a condition of employment. If an employee believes they have experienced or witnessed sexual harassment, they must immediately report their concern in the same manner as reporting any other form of discrimination or harassment.

UCIP considers prompt reporting of discrimination or harassment to be a condition of employment. If an employee believes they have experienced or witnessed discrimination or harassment based on race, color, religion, national origin, age, disability or other protected status, they must immediately report their concern to the CEO. If the CEO is the subject of a report of discrimination or harassment, the employee may report to the CEO, who shall immediately forward the report to the Board Director serving as the Chair of the UCIP Personnel Committee.

UCIP will investigate allegations of protected status discrimination or harassment and will take appropriate action against any person found to have violated this Policy. Individuals who engage in protected status discrimination or harassment are subject to discipline, up to and including termination.

UCIP will not retaliate against any person who reports discrimination or harassment. Employees who retaliate against any person who reports discrimination or harassment shall be subject to discipline, up to and including termination.

If the investigation of a report of discrimination or harassment finds the report to be false and made maliciously, the person making such claim may be subject to discipline, up to and including termination.

5. **Inappropriate and Unprofessional Behavior**

UCIP employees will fulfill their job duties, act appropriately and professionally, and comply with UCIP policies and procedures. Inappropriate and unprofessional behavior includes but is not limited to the following:

a. Insubordination or refusal to comply with written or verbal instruction from the UCIP CEO, except in cases where the instruction is believed to be unethical or illegal in nature, in which case the employee should immediately notify a member of the Board in writing.

b. Conviction of a felony while an employee of UCIP.

c. Conduct that endangers the safety of employees, officials or the public.

d. Inducing, or attempting to induce, any UCIP employee to commit an act in violation of UCIP policies and procedures.

e. Incompetency or inefficiency in the performance of job duties.

f. Carelessness, abuse, or negligence with UCIP funds or property.

g. Stealing UCIP or UCIP employee’s funds or property.

h. Falsification of personnel records, time reports, or other UCIP records.

i. Physical attack on a UCIP employee, a member official or employee or the public.

j. Using threats, or attempting to use personal influence in an effort to secure special favors or consideration as a UCIP employee.

k. Using or being under the influence of intoxicants or drugs or having them in your system while on duty.

l. Unlawful carrying of a weapon while on duty.

m. Making direct, indirect, implied, or conditional threats against another UCIP employee.

n. Using a UCIP computer systems for self-employment or outside employment.

o. Using UCIP computer software in violation of license agreement(s).

p. Copying software licensed to or developed by UCIP. Bringing software from home computers to run on UCIP ~~computers~~ computer systems unless authorized in writing by the CEO.

q. Purchasing, moving, altering, or repairing computer equipment and wiring unless authorized by the CEO.

r. Violating a safety rule or practice.

s. Using offensive language toward UCIP employees, member officials or employees or the public.

t. Inattentiveness to work, failing to start work at the designated time, quitting work early, or leaving the job during working hours without prior authorization from the CEO.

u. Vending, soliciting, or collecting contributions on UCIP's time or premises without prior authorization from the CEO.

v. Failure to comply with established UCIP policies and procedures.

w. Unauthorized use of UCIP property, equipment or materials.

x. Operating a vehicle without the proper license or insurance.

y. Excessive absenteeism, tardiness or other violations of the UCIP Employee Leave Policy.

z. Bringing to work, disseminating, or displaying any materials that are offensive and that could give rise to or form the basis for the following types of UCIP employee, member official or employee or public complaints: a harassment complaint, an allegation of a hostile work environment, a discrimination claim based on protected status or violation of UCIP policies or procedures. However, actions specifically authorized or protected by law are not a violation of policy.

aa. Using notes, e-mail, voicemail, fax, text messaging, social media or the internet to harass or discriminate on the basis of a protected status under State or Federal discrimination laws. However, actions specifically authorized or protected by law are not a violation of policy.

bb. Engaging in intentional or unintentional acts contrary to public service, or acts that harm or would reasonably be expected to harm the reputation or image of UCIP.

cc. Refusing to respond to an official request for factual information or impeding an internal investigation. However, actions specifically authorized or protected by law are not a violation of policy.

dd. Violating the ethical behavior and conflict of interest provisions of UCIP this policy.

ee. Giving false or misleading statements, or misrepresenting or omitting material information to the CEO, a member official or employee, or the public.

6. **Ethical Behavior and Conflicts of Interest**

a. The Public Officials and Employees Ethics Act, Utah Code Ann. §67-16-101 et. seq., establishes certain standards of ethical conduct for UCIP employees, including requiring disclosure of conflicts of interest in certain situations. All UCIP employees are subject to and must comply with this Act.

b. No employee shall use their position for personal gain or special privilege.

c. Employees shall make a written request for records they desire to use or disclose for personal purpose in accordance with the Government Records Access Management Act (GRAMA). Disclosure or use of records maintained by UCIP for personal purpose, which were not provided to the employee in response to a valid GRAMA request, is a violation of this policy and may result in disciplinary action including termination.

d. Employees shall not seek, solicit, accept or take a pecuniary gift that is related to their position with UCIP including but not limited to cash, gift cards or prepaid credit cards that would tend to influence their judgement.

e. Employees shall not seek, solicit, accept or take a nonpecuniary gift that is related to their position with UCIP that exceeds a value of $50.00.

f. Employees involved in the procurement of services, supplies or equipment shall not seek, solicit, accept or take a gift from a vendor or provider of such services, supplies or equipment that exceeds a value of $10.00.

g. Employees shall disclose, in writing, to the Board any Conflict of Interest as identified in the Utah Public Officer's and Employees' Ethics Act, when the conflict is created and annually as provided by the Bylaws.

h. In addition to the written Conflict of Interest Statement, employees who have a Conflict of Interest will also verbally disclose the conflict any time the employee is involved in any discussion related to the conflict occurs.

i. Employees may not be compensated by another person to assist such person in a transaction with UCIP, whether or not such assistance is disclosed.

j. Employees may not have a Financial Interest in a business that conducts business with UCIP.

k. Employees may not have a Financial Interest in a business that creates a Conflict of Interest with the employee's public duties without disclosing such conflict.

7. **Nepotism**

UCIP will comply with Utah Code Ann. §52-3-1 to §52-3-4, 1953, as amended regarding the employment of relatives.

If because of marriage, promotion, reorganization or other reason, it appears that a conflict with Utah law or this Policy appears to exist, the Chief Executive Officer, and the Board of Directors shall review the matter.

If it is determined that a conflict exists, resignation or reassignment of one of the relatives may be required.

8. **Computer and E-Mail Usage**

UCIP recognizes that excessive personal use of UCIP owned ~~computers~~ computer systems during work hours can affect productivity and may be perceived as an inappropriate use of public funds. UCIP reserves the right to monitor computer usage, files stored on UCIP ~~computers~~ computer systems and Internet usage.

For purposes of this Policy, "files" means all documents, programs, e-mail, and Internet locations that are created, accessed, stored, or temporarily located on a UCIP computer systems.

a. Personal Use. Employees may use assigned UCIP ~~computers~~ computer systems for limited personal purposes. This approval is similar to the occasional personal use of telephones during breaks. Excessive use of ~~the~~ UCIP computer systems for personal reasons is not allowed.

b. Inappropriate Usage. Employees are not allowed to use a UCIP computer system for self-employment, or outside employment purposes. Entering or maintaining information on a UCIP computer system that is in violation of UCIP's policies and procedures, or that violates State or Federal law, is prohibited.

c. Privacy. All files created, accessed, or stored on a UCIP computer system are considered UCIP property. Employees shall be advised that there is no right to privacy when using a UCIP computer system. All usernames, passwords, personal identification numbers or any other security codes or devises restricting access to UCIP computer equipment or software programs must be provided to the CEO, when created or changed, to allow access by UCIP. As a public agency, all data and files created, accessed, or stored on a UCIP computer system may be subject to governmental records access laws, and may become public in compliance with such laws. All employees are required to comply with the UCIP Governmental Records Access and Management Act Policy at all times.

d. Licenses. Employees shall use computer software only in accordance with the license agreement. Copying software licensed to, or developed by UCIP for personal computer use or any other purpose is prohibited. Bringing software from personal computers to run on UCIP ~~computers~~ computer systems is also prohibited. Downloading of software onto UCIP ~~computers~~ computer systems is prohibited unless prior authorization has been provided by the CEO.

e. Equipment. Only employees authorized by the CEO may purchase, move, alter, or repair UCIP computer equipment and wiring.

f. Email. Employees may use UCIP's email functions as limited above in Personal Use and Inappropriate Usage. All email received or sent using the UCIP email system are considered UCIP property, and may be accessed, reviewed, copied or disseminated by UCIP as the CEO or Board of Directors deems necessary or prudent. As all email received or sent using the UCIP email system are considered documents in the possession of UCIP, they may be considered public documents subject to the Governmental Records Access Management Act.

g. Internet Access. Internet usage falls within the above Personal Use and Inappropriate Usage constraints. Employees should use caution when connecting to public Wi-Fi.

h. Disciplinary Action. Employees using ~~Pool~~ UCIP ~~computers~~computer systems, software or systems in an unauthorized or inappropriate manner may be subject to discipline up to and including termination.

9. **Seat Belt Use**

Employees must use seatbelts while in vehicles performing UCIP business which includes travel eligible for reimbursement by UCIP.

10. **Cell Phone Use**

Cell phones should not be used while in vehicles performing UCIP business, which includes travel eligible for reimbursement by UCIP when it is a distraction to driving. Whenever possible, the employee should use hands free phone equipment or pull over when safe to continue or return the phone call.

11. **UCIP Business Credit Cards**

The UCIP Business Credit Cards may only be used for legitimate business expenses. An employee utilizing a UCIP Business Credit Card shall provide the ~~CFO~~ Accounting Specialist a receipt for each purchase. If a receipt is not provided to the employee or the receipt is lost, the employee shall provide a signed written statement of the expense to the ~~CFO~~Accounting Specialist.

An employee will reimburse UCIP for any expenses not approved by the UCIP Board of Directors as legitimate business expenses. Such expenses that are not reimbursed to UCIP within 30 days of notice to the employee by the Board may be deducted from the employees pay at the discretion of the Audit Committee Chair. An employee will reimburse UCIP 150% of any personal use of the UCIP Business Credit Card.

Employees may not apply for or accept a line of credit or credit card in UCIP's name except as authorized under the Internal Accounting Controls Policy.

12. **Acceptance of Gifts, Compensation or Loan**

As public agency employees, UCIP employees are required to comply with the Utah Public Officers' and Employees' Ethics Act, Utah Code §67-16-5 as amended. Employees must notify the CEO of all gifts prior to acceptance by individual employees. Gifts offered to the staff as a group must be approved by the CEO prior to acceptance. Failure to comply with this Policy may result in discipline up to and including termination.

13. **Outside Employment**

No UCIP employees may engage in any outside employment (including self-employment) or activity that, in the opinion of the Chief Executive Officer, might impair the performance of their duties or is detrimental to UCIP member service. Employees must notify the Chief Executive Officer of outside employment prior to engaging in such employment, or at any time that the terms of outside employment changes.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022
2. Revised: June 16, 2022
3. Revised: October 25, 2023

SECTION I APPENDICES

1. Public Officials and Employees Ethics Act

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—EMPLOYEE DISCIPLINE POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee discipline are amended or recommendations are made by the UCIP CEO ~~or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to assure that all dealings with applicants and employees are conducted in compliance with all State and Federal laws and to assure that UCIP provides a safe, productive, professional workplace to all employees of UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Pool: the Utah Counties Indemnity Pool.

5. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. Discipline is a necessary action to assure employees follow the policies adopted by the Board and the federal, state and local laws, ordinances and rules they are subject to while performing their job duties.

2. Implementing disciplinary action is necessary to protect other employees and the public from inappropriate actions of employees.

3. Implementing appropriate discipline is necessary for UCIP to meet its fiduciary responsibility to maintain the confidence of the membership and the public in its operations as a governmental agency.

4. Any violation of any UCIP policy or procedure may result in discipline up to and including termination. Failure to provide this statement in any individual policy or procedure does not waive, limit or estop UCIP's authority to implement discipline.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. Employees are subject to discipline:

a. For violation of State, Federal or local law, ordinance or rules;

b. For violation of UCIP policies and procedures; and

c. For violation of any of the following whether or not considered a violation of an adopted UCIP policy or procedure:

(i) Inefficiency;

(ii) Incompetence;

(iii) Failure to maintain skills;

(iv) Inadequate performance levels;

(v) Neglect of duty;

(vi) Misconduct;

(vii) Inability to work in harmony with coworkers and member representatives;

(viii) Rudeness to a member representative or the public;

(ix) Disobedience of a reasonable order of a supervisor;

(x) Dishonesty;

(xi) Insubordination;

(xii) Misappropriation or damage to Pool funds or property;

(xiii) Misuse of UCIP funds or property;

(xiv) Tardiness;

(xv) Unapproved absences;

(xvi) Any act inimical to public service;

(xvii) Felony convictions and other violations of State and Federal criminal laws; and

(xviii) Any other circumstances where UCIP deems disciplinary action to be appropriate, regardless of whether UCIP has specifically identified a written rule or policy.

2. Discipline may include, but is not limited to:

a. Verbal or written warning or reprimand;

b. Probation;

c. Reassignment;

d. Transfer;

e. Suspension;

f. Reduced pay and/or benefits;

g. Demotion;

h. Termination; and

i. Any other action deemed appropriate by the CEO or allowed by law.

3. An employee may be disciplined for multiple violations or disciplined in multiple ways for any one act or any series of acts.

4. An employee not satisfied with disciplinary action taken shall follow the procedures provided in the Personnel—Grievance and Appeal Process Policy.

SECTION H REVISION HISTORY

Prior to the adoption date of this Policy, UCIP had a policy governing Employee Discipline as part of its Personnel Policy last amended February 24, 2022.

1. Adopted: April 21, 2022

2. Revised: June 16, 2022

3. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—GRIEVANCE AND APPEAL PROCESS POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing employee grievance and appeal process are amended or recommendations are made by the UCIP CEO~~ or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to provide a formal procedure for processing appeals and grievances of employees without discrimination, coercion, restraint, or reprisal.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

4. Personnel Committee: a standing committee of the Board to assist in ongoing responsibilities of the Board relating to personnel matters.

5. Pool: the Utah Counties Indemnity Pool.

6. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. UCIP encourages its employees to work to resolve disputes amicably and informally. When a dispute arises regarding an adverse employment action including suspension, transfer, demotion, or dismissal, employees must seek redress through this grievance and appeal process. This grievance and appeal process is intended to provide an administrative remedy to resolve employee grievances free from discrimination, coercion, restraint, or reprisal. In order to accomplish this goal:

a. Employees with questions regarding how the dispute resolution process works may seek counseling from the CEO regarding procedure; however, the CEO cannot comment or provide advice on the substantive issues in dispute;

b. An employee may consult with an attorney or other representative to assist them in the grievance and appeal process at their own cost. UCIP will have no obligation to pay or reimburse any portion of the costs of such representation regardless of the outcome of process;

c. Employees who are dissatisfied with the outcome of any step must proceed to the next step in the process to preserve their right to a grievance;

d. Time limitations shall be strictly adhered to unless the parties agree to extensions in advance;

e. Hearings shall not be bound by legal procedures or legal rules of evidence, and shall be presided over by, and conducted in a manner determined by the chair of the body holding the hearing;

f. Failure to utilize this Grievance and Appeal Process in accordance with this section shall be considered a failure of the employee to make use of administrative remedies regarding their right to grieve the adverse employment action; and

g. UCIP prohibits retaliation against employees who utilize the dispute resolution process. If at any time the employee feels they have been retaliated against whether by discrimination, coercion, restraint, or reprisal, the employee should immediately file a written grievance with the CEO or directly with the UCIP Board of Directors Personnel Committee if the retaliation is based on actions of the CEO.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. **Step One—Informal Dispute Resolution**

Before filing a formal grievance, employees should attempt to resolve disputes by dealing directly with their direct supervisor. If requested, the supervisor shall review the adverse employment action with the employee to attempt to resolve the dispute in a manner acceptable to both parties while protecting the integrity of UCIP's disciplinary policies and obligations.

2. **Step Two—Formal Grievance**

If the employee and supervisor are unable to arrive at an acceptable resolution, the employee must initiate the formal grievance process.

a. Within 30 calendar days of the adverse employment action or within 30 calendar days of the time the employee reasonably should have known of the adverse employment action, the employee must file a written grievance with the CEO.

b. The written grievance must identify:

(i) The employee;

(ii) The adverse employment action being grieved;

(iii) The supervisor initiating the adverse employment action;

(iv) The basis for the employee's disagreement with the action; and

(v) A proposed resolution to the dispute.

c. Within 10 working days of receipt of a proper written grievance, the CEO shall respond to the employee and supervisor involved with a written determination on the merit of the grievance and actions to be taken to resolve the grievance, if any, including but not limited to:

(i) upholding the adverse employment action;

(ii) amending the adverse employment action; or

(iii) dismissing the adverse employment action and returning the employee to their original status.

d. If the CEO fails to respond within ten working days, such failure shall be deemed to be a finding by the CEO that the employee's grievance has no merit. Failure of the CEO to respond shall not be considered a waiver or estoppel of UCIP's rights in enforcement of an adverse employment action or the enforcement of the administrative remedies of this section.

3. **Step Three—Appeal to the UCIP Board of Directors Personnel Committee**

If the employee is unsatisfied with the determination of the CEO, the employee must appeal the determination to the Personnel Committee to preserve their grievance rights.

a. To make a valid appeal to the Personnel Committee, the employee must file a written appeal with the ~~UCIP CFO~~ Chair of the Personnel Committee within 10 working days from the receipt of the CEO's response, or the date the CEO should have responded.

b. A written appeal shall include:

(i) A copy of the original written grievance filed with the CEO; and

(ii) A copy of the CEO's written determination of the grievance being appealed, or a statement that the grievance was deemed to have no merit as the CEO failed to respond with a written determination within the required timeline.

c. The Personnel Committee may, within 15 calendar days of receipt of the employee's appeal, request additional written information from the parties involved.

d. The parties shall provide such additional written information within 15 calendar days of such request.

e. Within 15 calendar days of receipt of the appeal, or if additional information is requested, within 15 calendar days of receipt of the last additional information, the Personnel Committee shall:

(i) Issue a written decision on the appeal; or

(ii) Hold an informal hearing attended by the parties either in person or via telephonic conference.

f. The decision to hold a hearing is at the sole discretion of the Personnel Committee, and no party to the appeal may compel the Personnel Committee to hold a hearing.

g. If the Personnel Committee elects to hold a hearing, the Personnel Committee will issue a written decision to the parties within 15 working days from the hearing date.

h. While the employee may choose to have an attorney or other representative attend a hearing with them for consultation, the Personnel Committee may require the employee to present their appeal, including but not limited to presenting any evidence, testimony or answering questions directly, and may limit or restrict the employee's representative from presenting the appeal, including but not limited to presenting evidence, testimony or answering on behalf of the employee.

4. **Step Four—Appeal to the UCIP Board of Directors**

If the employee is unsatisfied with the decision of the Personnel Committee, the employee must appeal the decision to the UCIP Board of Directors (Board) to preserve their grievance rights.

a. To make a valid appeal to the Board, the employee must file a written appeal with the ~~UCIP CFO~~ Chair of the Personnel Committee within 10 working days from the receipt of the Personnel Committee's decision.

b. A written appeal shall include a copy of the Personnel Committee's written decision of the grievance being appealed.

c. The Board may, within 15 calendar days of receipt of the employee's appeal, request additional written information from the parties involved.

d. The parties shall provide such additional written information within 15 days of such request.

e. Within 30 calendar days of receipt of the appeal, or if additional information is requested, within 30 days of receipt of the last additional information, the Board shall:

(i) Issue a written decision on the appeal;

(ii) Request a review of the matter by the UCIP Board of Directors Litigation Management Committee or the Board's General Counsel; or

(iii) Hold an informal hearing attended by the parties either in person or via telephonic conference.

f. The decision to request a review of the matter by the Litigation Management Committee or hold a hearing is at the sole discretion of the Board, and no party to the appeal may compel the Board to request a review of the matter by the Litigation Management Committee or hold a hearing.

g. If the Board requests review by the Litigation Management Committee or the Board's General Counsel, the Board shall:

(i) Issue a written decision to the parties within 45 days from receipt of the appeal, or if additional information is requested, within 45 days of receipt of the last additional information;

(ii) Hold an informal hearing attended by the parties either in person or via telephonic conference.

h. If the Board elects to hold a hearing, the Board shall:

(i) Issue a written decision to the parties within 15 working days from the hearing date; or

(ii) Request a review of the matter by the Litigation Management Committee or the Board's General Counsel. If the Board requests such review, the Board shall issue a written decision to the parties within 30 days from the hearing date.

i. While the employee may choose to have an attorney or other representative attend a hearing with them for consultation, the Board may require the employee to present their appeal, including but not limited to presenting any evidence, testimony or answering questions directly, and may limit or restrict the employee's representative from presenting the appeal, including but not limited to presenting evidence, testimony or answering on behalf of the employee.

A written decision of the Board shall be a binding and final determination of the Utah Counties Indemnity Pool.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. There are no appendices to this policy

UTAH COUNTIES INDEMNITY POOL
PERSONNEL—PROTECTION OF PUBLIC EMPLOYEES POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.

2. This policy should be reviewed annually, but not less than every five years by the Board of Directors.

3. This policy should also be reviewed at any time that changes to laws or rules governing the Utah Protection of Public Employees Act are amended or recommendations are made by the UCIP CEO ~~or CFO~~, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to protect UCIP employees from retaliation in the form of adverse employment action for reporting in good faith the waste of UCIP funds, property or manpower, or a violation of law, rule or regulation by UCIP, whether through its employees or officials.

2. This policy is adopted to assure compliance with the Utah Protection of Public Employees Act

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Act: the Utah Protection of Public Employees Act UCA 67-21-1 et. seq.

2. Board: the Board of Directors of the Utah Counties Indemnity Pool.

3. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

4. ~~CFO: the Chief Financial Officer of the Utah Counties Indemnity Pool.~~

5. Pool: the Utah Counties Indemnity Pool.

6. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. UCIP intends to protect its employees from retaliation in the form of adverse employment action by complying with the Utah Protection of Public Employees Act.

2. UCIP invites input from employees regarding concerns of waste or misuse of UCIP funds, property or manpower as well as concerns of suspected violations of laws, rules or regulations by UCIP employees.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. Employees should report any concerns of waste or misuse of UCIP funds, property or manpower as well as concerns of suspected violations of laws, rules or regulations by UCIP employees.

2. Reports should be made to:

a. The supervisor of the employee suspected of waste, misuse or suspected violation;

b. The CEO, if the reported conduct involves the supervisor;

c. The Board or any member of the Board if the conduct involves the CEO;

d. The Attorney General's Office if the conduct involves members of the Board; or

e. Law Enforcement if the conduct is criminal in nature.

3. No employee or officer of UCIP shall retaliate in the form of adverse employment action against an employee who has reported in good faith any waste, misuse or suspected violation in accordance the Act.

4. An employee that believes they have been retaliated against in the form of adverse employment action shall utilize the Grievance and Appeal process of the PERSONNEL—GRIEVANCE AND APPEAL POLICY to comply with the administrative review requirements of the Act.

5. Once the administrative remedies provided under the PERSONNEL—GRIEVANCE AND APPEAL POLICY have been exhausted, the employee may bring an action in compliance with the Act.

6. A copy of this Policy or a summary thereof shall be posted at the UCIP offices.

7. A copy of the Act shall be provided to employees:

a. When the employee is hired;

b. Upon request by the employee; and

c. When the employee files a grievance under the Act.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022

2. Revised: October 25, 2023

SECTION I APPENDICES

1. Utah Protection of Public Employees Act

UTAH COUNTIES INDEMNITY POOL
OPERATIONS—IT AND COMPUTER SECURITY POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is January 1, 2024. Computer and email usage procedures and responsibilities have previously been addressed in the Personnel Standards of Conduct Policy adopted by the Board on April 21, 2022.

2. This policy should be reviewed annually by the Board.

3. This policy should also be reviewed by the Board any time that changes to laws or rules governing information technology and computer security of interlocal agencies are amended or recommendations are made by the UCIP CEO, which would require review and update to this policy.

4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.

5. This policy is considered to be amended at the time any new federal or state law becomes effective, which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. This policy of the Board relates to Information Technology and Computer Security.

2. This policy establishes basic rules for use of UCIP's computer systems including the Internet and email.

3. This policy establishes standards for the creation and protection of passwords used to conduct UCIP business.

4. This policy establishes guidelines for reporting unusual activity on UCIP computer systems and reporting cybersecurity incidents or privacy or security events.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement and Bylaws.

SECTION D APPLICABILITY AND SCOPE

1. This policy applies to all decisions regarding cybersecurity measures and protocols as approved by the Board.

2. This policy applies to all personnel of UCIP who have, or are responsible for, an account (or any form of access that supports or requires a password) on any system that resides at the UCIP offices, has access to the UCIP network, or stores any UCIP information.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.

2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.

3. Critical Information: data that UCIP deems essential to continue its daily business.

4. Cyber-Attacks: social engineering, phishing, malware, spoofing, denial-of-service, identity-based, code interjection, etc.

5. Cybersecurity: the state of being protected against the criminal or unauthorized use of electronic data, or the measures taken to achieve this protection.

6. Director: a member of the Board of Directors of the Utah Counties Indemnity Pool.

7. IT: Information Technology.

8. Member: each of the Participating Members of UCIP as listed in the Coverage Addendum.

9. Sensitive Information: data that must be protected against unauthorized disclosure.

10. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. It is the policy of the Board to secure Critical and Sensitive Information and data stored on UCIP computer systems.

2. It is the policy of the Board to assure UCIP employees annually receive cybersecurity awareness training.

3. It is the policy of the Board to have a qualified IT professional to maintain the security and protection of UCIP computer systems against cybersecurity incidents, events and cyber-attacks.

4. It is the policy of the Board to have a formal disaster recovery plan and business continuity plan that guides UCIP employees in setting the priority of UCIP's computer systems restoration to recover from a cybersecurity incident that impacts UCIP's business operations.

5. It is the policy of the Board that all Internet use must comply with applicable state and federal laws.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. Critical and Sensitive Information includes credentials to log-in to UCIP's accounting system, claims system, website administrative access, member schedules, state and federal websites, benefits websites, and financial websites. These credentials may be stored in the password manager Keychain Access.

2. UCIP shall identify vendors that store UCIP's Critical and Sensitive Information on their websites and/or networks.

3. UCIP's Critical and Sensitive Information shall be backed-up, stored and encrypted offline on a different logical or physical network such as a cloud backup to support recovery from a catastrophic cybersecurity incident. In addition, Critical and Sensitive Information shall be backed-up no less than twice weekly, stored and encrypted on a physical hard-drive. Access to back-ups shall be limited. One physical back-up hardware shall be stored offsite and one physical back-up hardware shall be stored onsite locked in a fireproof box.

4. UCIP employees shall use multi-factor authentication when logging-in to their UCIP computer.

5. UCIP employees shall receive mandatory cybersecurity awareness training annually. Training will include the expectations of UCIP employees to recognize common cyber-attacks and the process of reporting possible cybersecurity incidents or other types of cyber-attacks.

6. Any UCIP employee suspecting or noting a security incident, data breach or potential system compromise, or malicious activity shall immediately contact the CEO or UCIP's IT professional.

7. UCIP shall report privacy or security events or cybersecurity incidents to insurance carriers, law enforcement and incident support vendors.

8. UCIP employees shall timely apply maintenance and cybersecurity patches to software on UCIP computer systems.

9. UCIP’s IT professional shall install cybersecurity tools and systems that monitor who is utilizing the UCIP network, when they are on the network and what network resources they are using.

10. UCIP’s IT professional shall implement tools to automatically monitor, log and report unusual and unauthorized activities that occur on UCIP computer systems.

11. UCIP’s IT professional shall install email content filtering and web content filtering and web content filtering to identify unauthorized activity, malicious attachments and other prohibited activity that may negatively impact UCIP computer systems and network.

12. UCIP shall maintain software and hardware that is supported by the manufacturer or vendor on all UCIP computer systems.

13. UCIP employees use a password manager to organize and manage passwords securely on UCIP computer systems. Safeguards to select passwords include:

a. Using different passwords for different accounts;

b. Using multi-factor authentication;

c. Length and complexity;

d. Passwords that are hard to guess but easy to remember;

e. Passwords must not be revealed to others, with the exception of the CEO in accordance with the Business Continuity/Disaster Recovery Policy; and

f. Passwords must not be inserted in e-mail messages or other forms of electronic communication.

14. The usage of UCIP computer systems, Internet and e-mail by UCIP employees are outlined in accordance with the Personnel—Standards of Conduct Policy.

15. When receiving emails, UCIP employees shall use techniques provided in their cybersecurity awareness training to identify suspicious emails and shall not click on any links or attachments until the source of the email is confirmed to be legitimate.

SECTION H REVISION HISTORY

1. Adopted: January 1, 2024

SECTION I APPENDICES

1. Critical and Sensitive Information Stored With Vendors Listing

UTAH COUNTIES INDEMNITY POOL

ANNUAL MEETING OF THE MEMBERS

November 15, 2023, 4:45 pm

The Dixie Center | Garden Room

1835 Convention Center Drive

St. George, Utah

AGENDA

Business Session: *Bruce Adams*

Introduction of Board and Staff

Roll Call

Approval of Minutes

Nominating Committee Report: *Bob Stevenson*

Speeches by Nominees

Election

Financial Report: *Mike Wilkins*

CEO Report: *Johnnie Miller*

Board Report: *Bruce Adams*

Election Results: *Bob Stevenson*

Member Comments, Questions and Requests

Dinner: *Rib & Chop House*