UTAH
COUNTIES
INDEMNITY POOL

BOARD OF DIRECTORS
MEETING MINUTES

Date and Time
April 18, 2024, 12:30 p.m.

Location
UAC/UCIP Offices, 5397 S 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
Christopher Crockett, Weber County Deputy Attorney
Gage Froerer, Weber County Commissioner
Victor Iverson, Washington County Commissioner
Kelly Sparks, Davis County Sheriff
Stan Summers, Box Elder County Commissioner
Sim Weston, Rich County Commissioner

Directors Absent
Greg Miles, Duchesne County Commissioner
Bob Stevenson, Davis County Commissioner
David Tebbs, Garfield County Commissioner

Officers and Staff Present
Johnnie Miller, UCIP Chief Executive 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 12:36 p.m. on April 18, 2024 and welcomed attendees.

Review/Excuse Board Members Absent
Michael Wilkins made a motion to excuse Greg Miles, Bob Stevenson and David Tebbs from this meeting. Sim Weston seconded the motion, which passed unanimously.

Review/Approve February 15 and February 29, 2024 Meeting Minutes
The draft minutes of the Board of Directors meetings held on February 15 and February 29, 2024 were previously sent to the Board for review (see attachments number one and two). Michael Wilkins made a motion to approve the February 15 and February 29, 2024 minutes as written. Kelly Sparks 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 April 18, 2024 (see attachment number three). Michael Wilkins made a motion to approve the payments and credit card transactions as presented. Gage Froerer seconded the motion, which passed unanimously.

Review/Approve Fraud Risk Assessment
The Office of the State Auditor Fraud Risk Assessment was previously sent to the Board for review (see attachment number four). Michael Wilkins explained that the assessment provides a basic evaluation of the Pool's fraud risk. UCIP scored 355 out of 395 points, indicating a very low risk level. Michael Wilkins made a motion to approve the annual Fraud Risk Assessment as presented. Victor Iverson seconded the motion, which passed unanimously.

Review/Approve December 31, 2023 Actuarial Reserve Analysis
Exhibits from the 2023 By The Numbers Actuarial Consulting Actuarial Reserve Analysis were previously sent to the Board for review (see attachment number five). Johnnie Miller explained that Figure 1 charts the Pool's losses for the years 2006 to 2023, by paid (blue), case reserves (green) and the estimated incurred but not reported IBNR (yellow) losses. The Comparison of Estimated Ultimate Incurred Losses displays that from December 31, 2022, the estimate of the amount needed for 2023 decreased by 4.2%. Figure 2 charts the incurred losses comparing the current paid case reserves and IBNR from the prior actuarial report. Appendix C, Estimated Unallocated Loss Adjustment Expense (ULAE) Reserve, displays an estimate, using actual UCIP claims data, of what it would cost the Pool to pay an outside adjusting firm to handle the claims to resolution if the Pool were dissolved. In the event of that case, the estimated cost would be $153,000, which has been booked in UCIP's financials. Table 43 provides an estimate of required reserves as of December 31, 2023. The estimated ultimate incurred losses total $54,836775 and incurred losses of $49,179,944, totaling $45,115,611 paid. The estimated total of case reserves showing $4,064,333 and IBNR at $5,656,831. The findings are that the expected required reserves need for the Pool at year end of 2023 are $9,720,000 for all lines of coverage. Stan Summers made a motion to approve the expected reserves amount of $9,720,000 for reserves and the estimated ULAE of $153,000. Craig Blake seconded the motion, which passed unanimously.

Review/Approve 2023 Financial Audit
The draft 2023 financial audit, performed by independent auditors, Larson & Company, was previously sent to the Board for review (see attachment number six). Michael Wilkins reported that the Audit Committee met with the independent auditors and UCIP staff to review the draft 2023 financial audit. UCIP had no findings for the year ending in 2023. UCIP's net position increased by $830,356 from the prior year, with a net position of $12,029,265 at year's end. Michael Wilkins made a motion to approve the 2023 Financial Audit as presented. Victor Iverson seconded the motion, which passed unanimously.

Review/Approve 2023 Member Equity and Loss Ratios
Tabled until the next Board meeting.

Review/Approve 2023 WCF Insurance Audit
Information from the WCF 2023 Premium Audit report was previously sent to the Board for review (see attachment number seven). Johnnie Miller reported that the audited member payroll was underestimated by fifteen percent for a total adjustment of $397,245 additional premium due. Miller noted that although the 2023 rate is above the previous rate from 2022, it is still below the rate being paid in 2016. The workers compensation program has been a valuable and successful service to the members that participate. Stan Summers made a motion to accept the audit report as presented and invoice members for the adjusted amounts. Gage Froerer seconded the motion, which passed unanimously.

Review/Approve First Quarter 2024 Financial Statements
The first quarter 2024 financial statements were previously sent to the Board for review (see attachment number eight). Johnnie Miller reported that the in-house prepared, unaudited quarterly financial statements include the Balance Sheet comprised of the total assets, total liabilities and net position of the Pool for the quarter ending on March 31, 2024. Miller included a comparison to the 2023 audited Balance Sheet. Net Position at quarter ending March 31, 2024 totaled $12,950,435 compared to $12,029,265 at year end 2023. The Income Statement provides the budget to actual revenues and expenses. At quarter ending March 31, 2024, operating income is at 28% of budget, totaling $2,956,449; underwriting expenses are at 19% of budget, totaling $1,727,665; administration expenses are at 23%, totaling $308,600; and change in fair value of investments is $986. Total change in net position at the end of the first quarter is $921,170. The Cash Flow Statement is comprised of the financial activities during the first quarter. Michael Wilkins made a motion to approve the first quarter 2023 unaudited financial statements as presented. Craig Blake seconded the motion, which passed unanimously.

Review/Approve URS Contribution Rates
The final Utah Retirement Systems (URS) contribution rates, for the fiscal year July 1, 2024 to June 30, 2025, were previously sent to the Board for review (see attachment number nine). Johnnie Miller reported that Pool employees are in the Noncontributory Retirement System 15 for Local Governments. The employer rate for the Tier 1 Program has dropped by 1%, for a rate of 16.97. The rates for the Tier 2 Hybrid System are 0.70 for employees and 15.19 for the employer. The employer rate for the Tier 2 Defined Contribution plan totals 15.19. Craig Blake made a motion to approve the URS rates, as presented, effective July 1, 2024. Michael Wilkins seconded the motion which passed unanimously.

Review/Approve Procurement Policy Amendments
The proposed amendments to the Procurement Policy were previously sent to the Board for review (see attachment number ten). As an interlocal agency, UCIP has not been required to follow the State Procurement Act in the past. Due to recently passed bill HB125S01, interlocal agencies are now required to adopt the State Procurement Act as policy, or may choose to have their own policy, which must address specific portions of the State Procurement Act. During the February 15, 2024 Board of Directors meeting, the Board chose to amend the Pool’s Procurement Policy. Johnnie Miller reviewed the suggested amendments with the Board, which includes updated verbiage required by the statute and increasing the purchasing amount of $5,000 to $10,000 before requiring bids, and purchases between $10,000 to $25,000 requiring at least three telephone bids. Additional language was added, prohibiting cost-reimbursement contracts and requiring construction contracts to include performance and lienholders bonds. Gage Froerer made a motion to approve the amendments to the Procurement Policy as presented to the Board. Kelly Sparks seconded the motion, which passed unanimously.

Review/Approve Coverage Addendum Amendments
Johnnie Miller informed the Board that regarding updating the Coverage Addendum for contractual liability, as previously approved at the February15, 2024 meeting, several members of the Pool have already entered contracts for their respective county fairs. The Board previously set the implementation date of changes to July 1, 2024. Miller has received concerns from members that some fairs are scheduled for August and September 2024. Miller recommended that the contractual liability portion of the addendum be implemented on October 1, 2024, after the fairs. The Litigation Management Committee met on April 16, 2024 to discuss resources for members to inform their vendors of the contractual liability and reviewed contractual language samples. Stan Summers made a motion to postpone the changes of the contractual liability, as approved by the Board at the February 15 meeting, until October 1, 2024. Sim Weston seconded the motion, which passed unanimously.

Review/Approve Waiver of Member Late Fee

Johnnie Miller informed the Board that two members have requested the Board consider waiving the late fee for member contributions. Davis County accrued a late fee in the amount of $4,607.54, as they did not make payment until February 15, 2024. Davis County's IT system sent emails from Danielle Davis, UCIP Accounting Specialist, directly to spam mail. San Juan County accrued a late fee of $974.63, as payment was not made until March 20, 2024. Payment for San Juan County's member contribution was sent before the due date, but the check was mistakenly addressed and mailed to WCF. Once the check was returned, the payment was reprocessed and sent to UCIP. Victor Iverson made a motion to waive and refund Davis County's late fee of $4,607.54. Stan Summers seconded the motion, which passed unanimously. Victor Iverson made a motion to waive and refund San Juan County's late fee of $974.63. Craig Blake seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting
Kelly Sparks 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*. Craig Blake seconded the motion, which passed unanimously.

Action on Personnel Matters
Kelly Sparks made a motion to strike agenda item: *Action on Personnel Matters*. Craig Blake seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting
Christopher Crockett made a motion to strike agenda item: *Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation.* Michael Wilkins seconded the motion, which passed unanimously.

Action on Litigation Matters
Christopher Crockett made a motion to strike agenda item: *Action on Litigation Matters.* Michael Wilkins seconded the motion, which passed unanimously.

Chief Executive Officer's Report
Johnnie Miller discussed flight options with the Board, for the CRL Pool Board Governance Conference, since there is no clear policy for circumstances that may apply to Directors. For the upcoming CRL conference, the Board directed Aly Michale to purchase fully refundable tickets for the Board members, using the UCIP purchasing card, so that any refunds owed will be refunded directly to the Pool. Directors that prefer to purchase tickets for themselves, will be reimbursed for the flight cost after returning from the business trip.

Miller reported that he has recently had several meetings with counties, discussing vehicle use policies about personal use of county vehicles. Miller will further investigate the legislative language regarding this issue. Miller attended the Sheriff's Association meeting, noting that the Association has put together a committee to update their standards and are also working to create a program to take over the jail inspection process. Both will be reviewed by UCIP's law enforcement expert attorney. Miller also assisted with the Utah Prosecution Council Planning Session for the Civil Attorneys Annual Conference, UCIP will be participating and discussing issues of liability. The legislative Interim Agenda has been released and the Political Subdivision Committee is looking into a recodification of Title 17. Miller reported that he has been working with Adam Kolowich and Katie Miner, from the Utah Association of Counties, to consider having an ad-hoc committee of civil attorneys to review and clarify. Miller informed the Board that he spoke with Utah State Representative, Jim Dunnigan and Senator Mike McKell earlier in the week about the public continually requesting elected official's bonds from counties, due to statutory language. As officials are unable to obtain bonds in the state of Utah, Dunnigan and McKell intend to study the statute and work towards updating the language to remove this requirement or to allow for public officials to acquire them. UCIP staff are preparing for the UAC Management Conference in St. George, Utah. UCIP has typically scheduled the Pool's Annual Membership Meeting to coincide with UAC's fall conference but have changed their schedule of conferences throughout the year, moving the fall conference from November to September. UCIP's Annual Meeting of the Members will continue to be held in November, as holding the meeting earlier in the year would pose a challenge for members to elect directors of the Pool and appointing officers.

Calendar Items
Aly Michale reviewed the tentative schedules for the upcoming Strategic Planning of the Board, in San Juan County, on June 20 and June 21, 2024, and the CRL Pool Board Governance Conference in Louisville, Kentucky, from July 22 to July 25, 2024. Michale will work with directors who do not already have flights booked, as previously directed by the Board.

Other Reports
A draft agenda for the June 2024 Board Meeting agenda was reviewed by the Directors, adding two more items to the agenda: Review/Approve Board Reimbursement Policy and Review/Approve Coverage Addendum Amendments, according to the discussion and direction of the Board.

The next regular meeting of the Board of Directors will be held Thursday, June 20, 2024, at 1:00 p.m., at the Desert Rose Inn, 701 West Main Street, Bluff, UT.

Craig Blake made a motion to adjourn the meeting. Michael Wilkins seconded the motion, which passed unanimously. Bruce Adams adjourned the Utah Counties Indemnity Pool Board of Directors Meeting at 1:39 pm. on April 18, 2024.

Prepared by:

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Aly Michale, UCIP Executive Administrative Specialist

Submitted on this __20__ day of ____June____ 2024

____

Michael W Wilkins, Secretary/Treasurer

Approved on this __20__ day of ____June____ 2024

____

Bruce Adams, President

Support

PUBLIC NOTICE WEBSITE ADMIN
DIVISION OF ARCHIVES AND RECORDS SERVICE

Welcome!

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Notice Added

Notice Added Successfully

Your notice has been created successfully.

General Information

Government Type:

Interlocal

Entity:

Utah Counties Indemnity Pool

Public Body:

Board of Directors

Notice Information

Emergency Notice:

No

Notice Title:

Board of Directors Meeting

Notice Subject:

Administrative Services

Notice Type(s):

Notice, Meeting

Event Start Date & Time:

April 18, 2024 12:30 PM

Description/Agenda:

Welcome
Review/Excuse Board Members Absent
Review/Approve February 15 and February 29, 2023 Meeting Minutes
Ratification/Approval of Payments and Credit Card Transactions
Review/Approve Fraud Risk Assessment
Review/Approve December 31, 2023 Actuarial Reserve Analysis
Review/Approve 2023 Financial Audit
Review/Approve 2023 Member Equity and Loss Ratios
Review/Approve 2023 WCF Insurance Audit
Review/Approve Actions Under Net Asset Management Policy
Review/Approve First Quarter 2024 Financial Statements
Review/Approve URS Contribution Rates 2024/2025
Review/Approve Procurement Policy Amendments
Review/Approve Coverage Addendum Amendments
Review/Approve Waiver of Member Late Fee
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 Matter
Review Board Reimbursement Policy
Chief Executive Officer's Report
Calendar Items
Other Reports
Draft June 20, 2024 Board of Directors Meeting Agenda

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 801-307-2122, at least three days prior to the meeting.

Notice of Electronic or Telephone Participation:

Any Member of the Utah Counties Indemnity Pool Board of Directors may participate telephonically.

Send copy of notice to:

amichale@ucip.utah.gov

Meeting Information

Street Address:

5397 S VINE ST

City:

SALT LAKE CITY

ZIP Code:

84107

Download Attachments

File Name	Category	Date Added
Agenda.pdf	Other	2024/04/15 04:07 PM

AGENDA

Utah Counties Indemnity Pool Board of Directors Meeting

Thursday, April 18, 2024 12:30 p.m.
UAC/UCIP Offices 5397 S Vine St Murray UT

12:30	Open Meeting, Pledge of Allegiance	Bruce Adams
ITEM	ACTION	
1.	Welcome	Bruce Adams
2.	Review/Excuse Board Members Absent	Bruce Adams
3.	Review/Approve February 15 and February 29, 2023 Meeting Minutes	Mike Wilkins
4.	Ratification/Approval of Payments and Credit Card Transactions	Mike Wilkins
5.	Review/Approve Fraud Risk Assessment	Mike Wilkins
6.	Review/Approve December 31, 2023 Actuarial Reserve Analysis	Johnnie Miller
7.	Review/Approve 2023 Financial Audit	Mike Wilkins
8.	Review/Approve 2023 Member Equity and Loss Ratios	Johnnie Miller
9.	Review/Approve 2023 WCF Insurance Audit	Johnnie Miller
10.	Review/Approve First Quarter 2024 Financial Statements	Johnnie Miller
11.	Review/Approve URS Contribution Rates 2024/2025	Johnnie Miller
12.	Review/Approve Procurement Policy Amendments	Johnnie Miller
13.	Review/Approve Coverage Addendum Amendments	Johnnie Miller
14.	Review/Approve Waiver of Member Late Fee	Johnnie Miller
15.	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Bruce Adams
16.	Action on Personnel Matters	Craig Blake
17.	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	Bruce Adams
18.	Action on Litigation Matters	Christopher Crockett
	INFORMATION	
19.	Review Board Reimbursement Policy	
20.	Chief Executive Officer's Report	Johnnie Miller
21.	Calendar Items	Aly Michale
22.	Other Reports	Bruce Adams
23.	Draft June 20, 2024 Board of Directors Meeting Agenda	Johnnie Miller

UTAH COUNTIES INDEMNITY POOL

BOARD OF DIRECTORS
MEETING MINUTES

Date and Time
February 15, 2024, 12:30 p.m.

Location
UAC/UCIP Offices, 5397 S 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
Greg Miles, Duchesne County Commissioner
Kelly Sparks, Davis County Sheriff
Bob Stevenson, Davis County Commissioner
Stan Summers, Box Elder County Commissioner
Sim Weston, Rich County Commissioner

Directors Absent
Christopher Crockett, Weber County Deputy Attorney
Gage Froerer, Weber County Commissioner
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

Call to Order
Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Directors to order at 12:40 p.m. on February 15, 2024. Adams welcomed attendees.

Review/Excuse Board Members Absent
William Cox made a motion to excuse Christopher Crockett, Gage Froerer and David Tebbs from this meeting. Victor Iverson seconded the motion, which passed unanimously.

Review/Approve December 21, 2023 Meeting Minutes
The draft minutes of the Board of Director's meetings held on December 21, 2023 were previously sent to the Board Members for review (see attachment number one). Michael Wilkins made a motion to approve the December 21, 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 February 15, 2024 (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 Report on Conflict of Interest Disclosures
William Cox reminded the Board that the Conflict of Interest Disclosure forms need to be completed, annually, when there is a conflict of interest to be disclosed. Cox reprted that no board members filed conflict disclosures, as they believed they had no conflicts to report. Johnnie Miller informed the Board that there is a new bill being proposed, HB80S01, that would affect all counties, requiring a conflict of interest form to be completed, whether there is a conflict or not. Information that would be required to disclose includes investments of over $5,000 and additional employment information, including for spouses and other adults living in the household. These statements would be need to be posted online and a link submitted to the lieutenant governer's office, to post on their website. Miller will keep the Board updated on this bill. William Cox made a motion to approve the Conflict of Interest Disclosure Report, as discussed. Craig Blake 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 three). Sonya White explained that a statement has been added that the UCIP business credit card is the preferred method of payment for all travel expenses. Language regarding conference and non-conference lodging has been added and strickened for the purpose of UCIP to be reiumbursed for the State sales taxes on lodging costs. William Cox made a motion to approve the amendments to the Employee Reimbursement Policy as presented. Michael Wilkins seconded the motion which passed unanimously.

Review/Approve Employee Compensation Policy Amendments
Proposed amendments to the Employee Compensation Policy were previously sent to the Board for review (see attachment number four). Johnnie Miller explained that language has been added to specify eligibility, for merit and cost of living adjustments, for new and rehired employees that are working within their introductory period. William Cox made a motion to approve the amendments to the Employee Reimbursement Policy as presented. Greg Miles seconded the motion, which passed unanimously.

Review/Approve Employee Benefits Policy Amendments
Proposed amendments to the Employee Compesation Policy were previously sent to the Board for review (see attachment number five). Johnnie Miller explained that language was added to give Early Retirees the option to use accrued vacation leave for Early Retiree monthly medical benefits. Miller reported that the Pool's independent auditors agree that offering this option simplifies the payment process for both UCIP and the Early Retiree. Bob Stevenson made a motion to approve the amendments to the Employee Benefits Policy as presented. Michael Wilkins seconded the motion, which passed unanimously.

Review/Approve Net Asset Management Policy Amendments
Proposed amendments to the Net Asset Management Policy were previously sent to the Board for review (see attachment number six). Johnnie Miller explained that because the Net Asset Management plan and Dividend plan are used in tandem to manage the net assets to targeted levels, the two policies have been combined into one Net Asset Mangement Policy with the dividend procedures recognized as a method of asset management. Miller explained that the current policy uses just one management ratio to target appropriate levels of assets, the Contribution to Net Asset Ratio. Miller recommends the addition of other management ratios to the policy, and adding a to the policy that any dividend paid will be in an amount that will maintain all management ratios

within the targeted ranges. Craig Blake made a motion to approve the amendments to the Net Asset Management Policy as presented to the Board. Michael Wilkins seconded the motion, which passed unanimously. Kelly Sparks made a motion to repeal the Dividend Policy as it has been incorporated into the Net Asset Management Policy. Craig Blake seconded the motion, which passed unanimously.

Review/Approve Coverage Addendum Amendments

Amendments to the Coverage Addendum were previously sent to the Board for review (see attachment number seven). Johnnie Miller reviewed the proposed amendments starting with the addition of language to the Defense, Judgement and Settlement term of the Terms Applicable to All Liability Coverage Parts section. The additional language is meant to clarify the paragraph that releases the Pool from the obligation to pay any portion of a settlement a Member enters into without UCIP's prior written consent to include that such unapproved settlement is also a waiver of all other claims, suits, judgements, subrogation claims and tender of claims that arise from the same occurrence. Miller then reviewed recommended changes to the contractual liability language in the Exclusions Applicable to All Liability Coverage Parts section. Miller expressed concern that the extremely broad lanaguge of this language obligates UCIP to pay claims on behalf of persons that Members contract with and agree to indemnify and defend as part of the contract. Miller expressed that as UCIP is not an insurance company, and does not provide insurance, or a duty to defend anyone, and because UCIP funds can only be used to pay claims and provide service to its Members, that it would be difficult if not impossible for UCIP to comply with the current language and the agreement the Members are making. Miller also pointed out it is a violation of state statute to indemnify any other party, as government subdivisions are specifically prohibited from making loans or giving credit to another party, and an agreement to indemnify is a method of giving credit. Miller recommends limiting the contractual liability language to that which the insurance industry has adopted, which only allows indemnification for liability that would have existed in the abscense of a contract. Miller explained that if the Board chooses not to adopt these changes that they should consider an increase in rates and/or potentially introducing a charge for each contract the Member enters into which requies them to indemnify another party. Board members had questions related to indemnification requirements in contracts with county fair vendors such as rodeo promoters and music concert performers. Miller explained that for those types of events, if the Member does want to agree to indemnify another party, that UCIP could assist the Member in securing a special events policy with a traditional insurer to cover the rodeo, concert or other event. This way a Member would only incur the expense of an additional policy when needed, instead of paying higher contributions to UCIP on an ongoing basis. Miller then moved on to the recommended changes to payment of attorney fees language in the Exclusions Applicable to All Liability Coverage Parts section. Miller explained that the Utah legislature adopted statute years ago which prohibited judges from awarding plaintiff's attorney fees in state court. Over time, legislators have introduced and passed bills which include provisions for the court to award plaintiff attorney fees in specific circumstances. As the current legislative session includes several new bills that would allow attorneys fees in state court, Miller is recommending clarifying language that UCIP does not pay attorney fees as part of a judgement in any action in state court, and only covers attoreneys fees in federal civil rights actions. If this limitation is not adopted, Miller recommends a significant increase in liability rates to cover the additional losses UCIP will have if it begins paying plaintiff attorney fees in state court actions. Miller then reviewed a new exclusion applicable to all liability coverage parts for any claims related to PFAS substances, as UCIP's reinsurers will include this exclusion on all future reinsurance policies. Miller explained that PFAS substance claims are being excluded from all liability policies in the industry, similar to asbestos exclusions. Miller then moved to the Definitions Applicable to All Liability Coverage Parts section and reviewed the recommended changes and additions in this section related to the changes to the contractual liablity exclusion, attorneys fees limitations and PFAS exclusion. Kelly Sparks made a motion to adopt the changes to the UCIP Bylaws Coverage Addendum effective 7-1-24, to allow staff time to notify Members of these changes. Sim Weston seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting
Craig Blake 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*. William Cox seconded the motion, which passed unanimously.

Action on Personnel Matters
Craig Blake made a motion to strike agenda item: *Action on Personnel Matters*. William Cox seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting
Michael Wilkins made a motion to strike agenda item: *Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation.* Craig Blake seconded the motion, which passed unanimously.

Action on Litigation Matters
Michael Wilkins made a motion to strike agenda item: *Action on Litigation Matters.* Craig Blake seconded the motion, which passed unanimously.

Discuss Purchasing Policy Amendments (HB125S01)
Johnie Miller discussed HB0125S01 with the Board and reviewed samples of amendments to the Purchasing Policy (see attachment number eight). If the bill were to pass, amendments to the policy would be necessary or the Pool must comply with the state procurement act. The Board indicated their preference would be to amend the UCIP Purchasing Policy. Miller will move forward with updating the policy for the Board to review during the April Board meeting.

Chief Executive Officer's Report
Johnnie Miller reported that UCIP held the annual Risk Coordinator Training on February 9, 2024. To ensure the majority of coordinators were able to participate, it was held via Zoom and recorded for those that were unable to join. Miller informed the Board that the new UCIP website went live in time to coincide with the training. The new claims system has not yet been implemented, however, data from the old system has been recorded and sent for review. Once the actuary confirms accuracy of the report, the system will be ready. Miller is pleased with the changes and feels the process of reporting claims will be much easier for the Members.

Miller reported that UCIP has been preparing for the upcoming financial audit. The independent auditors will be in the office next week for field work and the Board will review the results at the April Board meeting.

Miller reported that he has been working with Utah Association of Counties on several bills this legislative session and expressed his appreciation of UCIP staff as it has been a very busy time for him.

Calendar Items
Aly Michale informed the Board that County Reinsurance Limited (CRL) will be holding their Pool Board Governance Conference in Louisville, Kentucky from July 22 -July 25, 2024 and asked directors to start considering if they will be able to attend or not as registration will open soon. Michale will send an email out regarding further plans and begin making travel arrangements as the conference gets closer.

Other Reports
The next regular meeting of the Board of Directors will be held Thursday, April 18, 2024, at 12:30 p.m., at the UAC/UCIP offices, 5397 South Vine Street, Murray, UT.

Greg Miles made a motion to adjourn the meeting. Michael Wilkins seconded the motion, which passed unanimously. Bruce Adams adjourned the Utah Counties Indemnity Pool Board of Directors Meeting at 1:39 pm. on February 15, 2024.

Prepared by:

Aly Michale, UCIP Executive Administrative Specialist

Submitted on this __18_ day of _____April______ 2024

Michael W Wilkins, Secretary/Treasurer

Approved on this _______ day of _____________ 2024

Bruce Adams, President

UTAH COUNTIES
INDEMNITY POOL

BOARD OF DIRECTORS
MEETING MINUTES

Date and Time
February 29, 2024, 9:00 a.m.

Location
Meeting conducted telephonically.
Anchor Location: UAC/UCIP Offices, 5397 S Vine St, Murray, Utah

Directors Participating Telephonically
Bruce Adams, *President,* San Juan County Commissioner
William Cox, *Vice President,* Rich County Commissioner
Michael Wilkins, *Secretary/Treasurer,* Uintah County Clerk/Auditor
Christopher Crockett, Weber County Deputy Attorney
Craig Blake, Sevier County Human Resource Director
Victor Iverson, Washington County Commissioner
Greg Miles, Duchesne County Commissioner
Kelly Sparks, Davis County Sheriff
Bob Stevenson, Davis County Commissioner
Sim Weston, Rich County Commissioner

Directors Absent
Gage Froerer, Weber County Commissioner
Stan Summers, Box Elder County Commissioner
David Tebbs, Garfield County Commissioner

Officers Present
Johnnie Miller, UCIP Chief Executive Officer
Sonya White, UCIP Chief Financial Officer

Others Present
Aly Michale, UCIP Executive Administrative Specialist

Call to Order
Bruce Adams called the telephonic meeting of the Utah Counties Indemnity Pool's Board of Directors to order at 9:10 a.m. on February 29, 2024.

Review/Approve County Related Entities Membership
A UCIP Membership Application Summary, for the Willard Precinct Cemetery Maintenance District, was previously sent to the Board for review (see attachment number one). Johnnie Miller reported that Box Elder County has filed a sponsorship resolution for the District. Miller explained that two vehicles are owned by the District and are only used on cemetery property and on occasion, to the gas station for fuel. Annual revenue of the District is $87,000 and payroll is listed at $35,000. All labor is contracted, therefore there are no employees. The District has been around nearly 100 years and has never had any claims as they have never been previously insured. William Cox made

a motion to approve the membership of the Willard Precinct Cemetery Maintenance District, effective once the interlocal agreement is signed and received, with the understanding that both vehicles will be covered for liability in the future. Greg Miles seconded the motion, which passed unanimously.

Review/Excuse Board Members Absent
William Cox made a motion to excuse Gage Froerer, Stan Summers and David Tebbs. Bob Stevenson seconded the motion, which passed unanimously.

Other Reports
The next meeting of the Board of Directors will be held Thursday, April 18, 2024 at 12:30 p.m. at the UCIP offices.

William Cox made a motion to adjourn the meeting. Bob Stevenson seconded the motion, which passed unanimously. Bruce Adams adjourned the Utah Counties Indemnity Pool Board of Directors Meeting at 9:17 a.m. on February 29, 2024.

Prepared by:

Aly Michale, UCIP Executive Administrative Specialist

Submitted on this 18 day of April 2024

Michael W Wilkins, Secretary/Treasurer

Approved on this _______ day of _____________ 2024

Bruce Adams, President

Utah Counties Indemnity Pool
Transaction Detail by Account
February 15 - April 18, 2024

Date	Transaction Type	Num	Name	Memo/Description	Amount
500-000000-10010100 ZionsHRA					
03/07/2024	Check	BILLPAY	Alyssa Michale	Reimbursable Expenses	-270.00
03/22/2024	Check	BILLPAY	Sonya J. White	Reimbursable Expenses	-150.00
Total for 500-000000-10010100 ZionsHRA					**-$ 420.00**
500-000000-10010100 ZionsMLC					
02/15/2024	Check	ACH	Francisco Javier Garcia	Claim: BOX0000422024	-5,031.13
02/15/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01470	-1,641.89
02/15/2024	Check	ACH	Connor Kingston	Claim: UIN0000592024	-3,000.48
02/15/2024	Check	ACH	Weber County	Claim: WEB0001902023	-198.42
02/15/2024	Check	ACH	Weber County	Claim: WEB0001992024	-15,464.93
02/15/2024	Check	ACH	Duchesne County	Claim: DUC0000662024	-607.90
02/15/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01469	-4,342.50
02/15/2024	Check	BILLPAY	Select Sires MidAmerica	Claim: BEA00000372024	-1,960.96
02/23/2024	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 338569	-4,139.00
02/23/2024	Check	ACH	Garfield County	Claim: GAR0000182024	-4,438.47
02/23/2024	Check	BILLPAY	Utah Department of Transportation	Claim: GAR0000172024	-1,309.05
02/23/2024	Check	BILLPAY	Geico	Claim: DAV0001312023	-15,949.68
02/23/2024	Check	ACH	Davis County	Claim: DAV0000142024	-2,806.25
02/23/2024	Check	ACH	Wasatch County	Claim: WAT0000392024	-3,169.50
02/23/2024	Check	BILLPAY	Southeast	Claim: SEU0000032024	-20,566.30
02/23/2024	Check	ACH	Ray Quinney & Nebeker P.C.	Claim: MIL0001002016	-65,000.00
02/23/2024	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 921614	-5,156.00
02/23/2024	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 921613	-5,778.90
02/23/2024	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 921607	-2,047.00
02/23/2024	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoice: 921596	-3,060.00
03/01/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01473	-11,691.22
03/01/2024	Check	BILLPAY	JSSFD	Claim: JFD0000032023	-4,015.05
03/01/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01480	-18,120.50
03/01/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01477	-1,495.00
03/01/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01476	-10,864.39
03/01/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01475	-5,779.50
03/11/2024	Check	BILLPAY	Gary Maynard	Claim: WEB0002132024	-588.80
03/11/2024	Bill Payment (Check)	ACH	Suitter Axland	Invoices 3224, 3230, 3231, 3232, 3233	-26,091.40
03/11/2024	Bill Payment (Check)	ACH	Strong & Hanni	Invoices 347466, 347468, 347469, 347470, 347471	-11,462.29
03/11/2024	Bill Payment (Check)	ACH	Kunz PC	Invoices 97, 98	-13,480.00
03/11/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01481	-22,340.77
03/15/2024	Check	BILLPAY	First Professional Services Corporation	Claim: WHS0000632024	-1,903.91
03/15/2024	Bill Payment (Check)	ACH	Frontier Adjusters, Inc.	Invoice: T1092166	-1,331.50
03/15/2024	Bill Payment (Check)	ACH	Strong & Hanni	Invoices 333704, 339169, 339171, 339175, 339177, 339180, 345427, 345429	-31,178.12
03/15/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoices 01488, 01490, 01491	-13,639.49
03/15/2024	Check	ACH	Beaver County	Claim: BEA0000392024	-10,812.80
03/15/2024	Check	ACH	Davis County	Claim: DAV0001322024	-34,653.96
03/15/2024	Check	ACH	Duchesne County	Claim: DUC0000682024	-3,342.45
03/15/2024	Check	ACH	Emery County	Claim: EME0000332023	-760.40
03/15/2024	Check	ACH	Emery County	Claim: EME0000072024	-10,861.81
03/15/2024	Check	BILLPAY	Utah Department of Transportation	Claim: MIL0000542024	-1,867.16
03/15/2024	Check	BILLPAY	Enterprise Rent-A-Car Company of UT, LLC	Rental: 37GN88	-2,200.05
03/15/2024	Check	BILLPAY	Sanpete County	Claim: SAN0000322023	-1,995.49
03/15/2024	Check	ACH	Wasatch County	Claim: WAT0000382024	-2,720.00
03/22/2024	Check	ACH	Wasatch County	Claim: WAT0000402024	-4,829.43
03/22/2024	Check	BILLPAY	Stephanie White	Claim: DUC0000692024	-4,982.50
03/22/2024	Check	ACH	Duchesne County	Claim: DUC0000702024	-8,037.01

03/22/2024	Check	BILLPAY	Tera Robinson	Claim: JUA0000232024	-7,114.86
03/22/2024	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 347620	-16,054.10
03/22/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoices 01493, 01494	-3,210.45
03/22/2024	Bill Payment (Check)	ACH	Frontier Adjusters, Inc.	Invoice: T1103035	-280.00
03/22/2024	Check	BILLPAY	The Hertz Corporation	Claim: IRO0000692023	-1,438.46
03/29/2024	Check	ACH	Iron County	Claim: IRO0000752024	-2,979.40
03/29/2024	Check	ACH	Blair Sterrett	Claim: WHS0000612024	-1,606.23
03/29/2024	Check	ACH	Beaver County	Claim: BEA0000382024	-1,826.60
03/29/2024	Check	ACH	Emery County	Claim: EME0000342024	-274.95
03/29/2024	Check	ACH	Iron County	Claim: IRO0000742024	-2,311.07
03/29/2024	Check	ACH	Pedro Romero	Claim: WEB0006102023	-947.36
03/29/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoices 01497, 01498	-49,959.20
03/29/2024	Bill Payment (Check)	ACH	Dentons Durham Jones & Pinegar	Invoices 924247, 924248, 924249, 924250, 924251, 924252, 924253, 924254, 924255, 924256, 924257, 924258, 924259, 924260, 924261, 924262, 924263, 924264, 924265, 924266, 924267, 924268	-117,739.91
04/05/2024	Check	BILLPAY	Enoch City	Claim: IRO0001662024	-4,499.46
04/05/2024	Check	BILLPAY	Patty Flint	Claim: WHS0000622024	-837.62
04/05/2024	Check	BILLPAY	Christopher Beaumont	Claim: IRO0000732024	-804.76
04/05/2024	Check	BILLPAY	Uintah County	Claim: UIN0000602024	-1,916.08
04/05/2024	Check	BILLPAY	The Appraisers, Inc	Claim: SAJ0001482022	-2,325.00
04/08/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoices 01500, 01502, 01503, 01504	-53,991.32
04/08/2024	Bill Payment (Check)	ACH	Suitter Axland	Invoices 3351, 3352, 3354, 3355	-71,710.94
04/08/2024	Bill Payment (Check)	ACH	Kunz PC	Invoices 103, 104, 105, 106, 107, 108	-14,225.70
04/08/2024	Check	ACH	Box Elder County	Claim: BOX0000442024	-5,147.30
04/08/2024	Check	ACH	Melvin Perc	Claim: GAR0000192024	-3,750.13
04/08/2024	Bill Payment (Check)	ACH	Strong & Hanni	Invoice 350499	-12,677.29
04/12/2024	Check	ACH	Juab County	Claim: JUA0000222024	-20,929.39
04/12/2024	Bill Payment (Check)	ACH	Mylar Law, PC	Invoice: 01505	-22,661.08
04/12/2024	Check	ACH	Duchesne County	Claim: DUC0000712024	-1,565.25
Total for 500-000000-10010100 ZionsMLC					**-$ 849,497.27**
500-000000-10010100 ZionsMLE					
02/15/2024	Payroll Check	DD	Danielle Davis	Pay Period: 02/01/2024-02/15/2024	-1,918.60
02/15/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 02/01/2024-02/15/2024	-4,754.54
02/15/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 02/01/2024-02/15/2024	-2,000.00
02/15/2024	Payroll Check	DD	Marty L. Stevens	Pay Period: 02/01/2024-02/15/2024	-2,510.32
02/15/2024	Payroll Check	DD	Alyssa Michale	Pay Period: 02/01/2024-02/15/2024	-1,560.69
02/15/2024	Payroll Check	DD	Sonya J. White	Pay Period: 02/01/2024-02/15/2024	-3,664.97
02/15/2024	Payroll Check	DD	Lance Welch	Pay Period: 02/01/2024-02/15/2024	-3,095.20
02/23/2024	Check	BILLPAY	Rich County	SW Board Meeting Reimbursement	-183.58
02/23/2024	Check	ACH	Davis County	KS Board Meeting Reimbursement	-34.84
02/23/2024	Check	BILLPAY	Mike Wilkins	MW Board Meeting Reimbursement	-231.82
02/23/2024	Check	ACH	Stan Summers	SS Board Meeting Reimbursement	-89.78
02/23/2024	Check	ACH	Public Employees Health Program	Invoice 0124051668	-330.84
02/23/2024	Check	ACH	Duchesne County	GM Board Meeting Reimbursement	-77.72
02/23/2024	Check	ACH	Craig Blake	CB Board Meeting Reimbursement	-202.34
02/23/2024	Check	ACH	Bob Stevenson	BS Board Meeting Reimbursement	-33.50
02/23/2024	Check	ACH	Public Employees Health Program	Account: AC-0000002101 (MAR)	-11,543.55
02/27/2024	Bill Payment (Check)	ONLINE	US Bank	Confirmation number: 474-97541-24	-1,263.14
02/28/2024	Check	ONLINE	Utah Retirement Systems	Confirmation: 022753383105	-14,666.04
02/29/2024	Tax Payment		IRS	Tax Payment for Period: 02/28/2024-03/01/2024 EFT ACKNOWLEDGEMENT NUMBER: 270446091725336	-7,322.72
02/29/2024	Payroll Check	DD	Lance Welch	Pay Period: 02/16/2024-02/29/2024	-3,095.20
02/29/2024	Payroll Check	DD	Alyssa Michale	Pay Period: 02/16/2024-02/29/2024	-1,411.73
02/29/2024	Payroll Check	DD	Marty L. Stevens	Pay Period: 02/16/2024-02/29/2024	-2,263.89
02/29/2024	Payroll Check	DD	Sonya J. White	Pay Period: 02/16/2024-02/29/2024	-3,664.97
02/29/2024	Tax Payment		UT State Tax Commission	Tax Payment for Period: 02/01/2024-02/29/2024 e-Check Payment confirmation number: 0-997-777-984	-2,433.12
02/29/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 02/16/2024-02/29/2024	-4,754.54

02/29/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 02/16/2024-02/29/2024	-2,000.00
02/29/2024	Check	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,873.68
02/29/2024	Payroll Check	DD	Danielle Davis	Pay Period: 02/16/2024-02/29/2024	-1,738.69
03/01/2024	Bill Payment (Check)	BILLPAY	TCNS, Inc.	Invoice: 8302	-536.00
03/01/2024	Bill Payment (Check)	BILLPAY	TCNS, Inc.	Invoice: 8364	-3,732.50
03/01/2024	Bill Payment (Check)	BILLPAY	MicroNiche, Inc.	Invoice: B2410132	-300.00
03/01/2024	Bill Payment (Check)	BILLPAY	TCNS, Inc.	Invoice: 8294	-727.43
03/01/2024	Check	ACH	PEHP-LTD	Agency: 1076	-283.07
03/11/2024	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 347467	-874.00
03/11/2024	Bill Payment (Check)	ACH	Utah Safety Council	Invoice: 39299	-4,500.00
03/11/2024	Bill Payment (Check)	BILLPAY	MicroNiche, Inc.	Invoice: B24-10189	-300.00
03/15/2024	Tax Payment		IRS	Tax Payment for Period: 03/13/2024-03/15/2024 EFT ACKNOWLEDGEMENT NUMBER: 270447542365348	-7,485.25
03/15/2024	Payroll Check	DD	Alyssa Michale	Pay Period: 03/01/2024-03/15/2024	-1,561.19
03/15/2024	Payroll Check	DD	Lance Welch	Pay Period: 03/01/2024-03/15/2024	-3,192.88
03/15/2024	Payroll Check	DD	Marty L. Stevens	Pay Period: 03/01/2024-03/15/2024	-2,510.32
03/15/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/01/2024-03/15/2024	-4,754.54
03/15/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/01/2024-03/15/2024	-2,000.00
03/15/2024	Payroll Check	DD	Sonya J. White	Pay Period: 03/01/2024-03/15/2024	-3,664.98
03/15/2024	Payroll Check	DD	Danielle Davis	Pay Period: 03/01/2024-03/15/2024	-1,918.60
03/15/2024	Bill Payment (Check)	ACH	State of Utah Mail	Invoice: 24L1820210	-71.00
03/15/2024	Bill Payment (Check)	ACH	Strong & Hanni	Invoice: 339170	-3,183.49
03/22/2024	Check	ACH	Public Employees Health Program	Invoice 0124059116	-330.84
03/22/2024	Check	ACH	Public Employees Health Program	Account: AC-0000002101 (APR)	-11,572.50
03/22/2024	Check	BILLPAY	TCNS, Inc.	Invoice: 8367	-1,085.00
03/26/2024	Bill Payment (Check)	ONLINE	US Bank	Confirmation number: 474-150465-24	-2,989.73
03/27/2024	Check	ONLINE	Utah Retirement Systems	Confirmation: 03261010484	-14,466.04
03/29/2024	Payroll Check	DD	Danielle Davis	Pay Period: 03/16/2024-03/31/2024	-1,738.69
03/29/2024	Payroll Check	DD	Alyssa Michale	Pay Period: 03/16/2024-03/31/2024	-1,411.24
03/29/2024	Payroll Check	DD	Lance Welch	Pay Period: 03/16/2024-03/31/2024	-3,192.88
03/29/2024	Payroll Check	DD	Sonya J. White	Pay Period: 03/16/2024-03/31/2024	-3,664.97
03/29/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/16/2024-03/31/2024	-2,000.00
03/29/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/16/2024-03/31/2024	-4,754.54
03/29/2024	Payroll Check	DD	Marty L. Stevens	Pay Period: 03/16/2024-03/31/2024	-2,263.90
03/29/2024	Bill Payment (Check)	ACH	Arthur J. Gallagher & Co.	Invoice: 4686145	-5,443.00
03/29/2024	Check	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,873.68
03/29/2024	Check	ACH	PEHP-LTD	Agency: 1076	-283.07
03/29/2024	Tax Payment		UT State Tax Commission	Tax Payment for Period: 03/01/2024-03/31/2024 e-Check Payment confirmation number: 0-257-118-784	-2,437.76
03/29/2024	Tax Payment		IRS	Tax Payment for Period: 03/27/2024-03/29/2024 EFT ACKNOWLEDGEMENT NUMBER: 270448970021210	-7,322.68
04/05/2024	Bill Payment (Check)	BILLPAY	MicroNiche, Inc.	Invoice: B24-10249	-300.00
04/08/2024	Bill Payment (Check)	ACH	Kunz PC	Invoice: 102	-2,300.00
04/08/2024	Bill Payment (Check)	ACH	HCA Asset Management LLC	Invoice: 24-1904	-40,000.00
04/08/2024	Bill Payment (Check)	ACH	Whitney Advertising & Design, Inc.	Invoice: 29401	-1,570.00
04/15/2024	Payroll Check	DD	Lance Welch	Pay Period: 04/01/2024-04/15/2024	-3,192.88
04/15/2024	Payroll Check	DD	Danielle Davis	Pay Period: 04/01/2024-04/15/2024	-1,918.60
04/15/2024	Payroll Check	DD	Alyssa Michale	Pay Period: 04/01/2024-04/15/2024	-1,561.19
04/15/2024	Tax Payment		IRS	Tax Payment for Period: 04/13/2024-04/16/2024 EFT ACKNOWLEDGEMENT NUMBER: 270450695481434	-6,141.71
04/15/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 04/01/2024-04/15/2024	-4,754.55
04/15/2024	Payroll Check	DD	Johnnie R. Miller	Pay Period: 04/01/2024-04/15/2024	-2,000.00
04/15/2024	Payroll Check	DD	Marty L. Stevens	Pay Period: 04/01/2024-04/15/2024	-2,510.32
Total for 500-000000-10010100 ZionsMLE					**-$ 255,395.03**

Questionnaire

Office of the
State Auditor

Revised December 2020

Fraud Risk Assessment

INSTRUCTIONS:

- Reference the *Fraud Risk Assessment Implementation Guide* to determine which of the following recommended measures have been implemented.
- Indicate successful implementation by marking "Yes" on each of the questions in the table. Partial points may not be earned on any individual question.
- Total the points of the questions marked "Yes" and enter the total on the "Total Points Earned" line.
- Based on the points earned, circle/highlight the risk level on the "Risk Level" line.
- Enter on the lines indicated the entity name, fiscal year for which the Fraud Risk Assessment was completed, and date the Fraud Risk Assessment was completed.
- Print CAO and CFO names on the lines indicated, then have the CAO and CFO provide required signatures on the lines indicated.

Fraud Risk Assessment

Continued

*Total Points Earned: 355 /395 *Risk Level:

Very Low	Low	Moderate	High	Very High
> 355	316-355	276-315	200-275	< 200

	Yes	Pts
1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?	Yes	200
2. Does the entity have governing body adopted written policies in the following areas:		
a. Conflict of interest?	Yes	5
b. Procurement?	Yes	5
c. Ethical behavior?	Yes	5
d. Reporting fraud and abuse?	Yes	5
e. Travel?	Yes	5
f. Credit/Purchasing cards (where applicable)?	Yes	5
g. Personal use of entity assets?	Yes	5
h. IT and computer security?	Yes	5
i. Cash receipting and deposits?	Yes	5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?	No	20
a. Do any members of the management team have at least a bachelor's degree in accounting?	Yes	10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?	No	20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training (training.auditor.utah.gov) within four years of term appointment/election date?	Yes	20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?	Yes	20
7. Does the entity have or promote a fraud hotline?	Yes	20
8. Does the entity have a formal internal audit function?	Yes	20
9. Does the entity have a formal audit committee?	Yes	20

*Entity Name: Utah Counties Indemnity Pool

*Completed for Fiscal Year Ending: 2024 *Completion Date: 04/18/2024

*CAO Name: Johnnie Miller *CFO Name: Michael Wilkins

*CAO Signature: ____________ *CFO Signature: ____________

*Required

Basic Separation of Duties

See the following page for instructions and definitions.

	Yes	No	MC*	N/A
1. Does the entity have a board chair, clerk, and treasurer who are three separate people?	Yes			
2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?	Yes			
3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".	Yes			
4. Are all the people who have access to blank checks different from those who are authorized signers?	Yes			
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?	Yes			
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?	Yes			
7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".	Yes			
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".	Yes			
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A".	Yes			
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?	Yes			
11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	Yes			
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	Yes			

* MC = Mitigating Control

Basic Separation of Duties

Continued

Instructions: Answer questions 1-12 on the Basic Separation of Duties Questionnaire using the definitions provided below.

☺ If all of the questions were answered “Yes” or “No” with mitigating controls (“MC”) in place, or “N/A,” the entity has achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will be answered “Yes.” 200 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

☹ If any of the questions were answered “No,” and mitigating controls are not in place, the entity has not achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will remain blank. 0 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

Definitions:

Board Chair is the elected or appointed chairperson of an entity’s governing body, e.g. Mayor, Commissioner, Councilmember or Trustee. The official title will vary depending on the entity type and form of government.

Clerk is the bookkeeper for the entity, e.g. Controller, Accountant, Auditor or Finance Director. Though the title for this position may vary, they validate payment requests, ensure compliance with policy and budgetary restrictions, prepare checks, and record all financial transactions.

Chief Administrative Officer (CAO) is the person who directs the day-to-day operations of the entity. The CAO of most cities and towns is the mayor, except where the city has a city manager. The CAO of most local and special districts is the board chair, except where the district has an appointed director. In school districts, the CAO is the superintendent. In counties, the CAO is the commission or council chair, except where there is an elected or appointed manager or executive.

General Ledger is a general term for accounting books. A general ledger contains all financial transactions of an organization and may include sub-ledgers that are more detailed. A general ledger may be electronic or paper based. Financial records such as invoices, purchase orders, or depreciation schedules are not part of the general ledger, but rather support the transaction in the general ledger.

Mitigating Controls are systems or procedures that effectively mitigate a risk in lieu of separation of duties.

Original Bank Statement means a document that has been received directly from the bank. Direct receipt of the document could mean having the statement 1) mailed to an address or PO Box separate from the entity’s place of business, 2) remain in an unopened envelope at the entity offices, or 3) electronically downloaded from the bank website by the intended recipient. The key risk is that a treasurer or clerk who is intending to conceal an unauthorized transaction may be able to physically or electronically alter the statement before the independent reviewer sees it.

Treasurer is the custodian of all cash accounts and is responsible for overseeing the receipt of all payments made to the entity. A treasurer is always an authorized signer of all entity checks and is responsible for ensuring cash balances are adequate to cover all payments issued by the entity.

Draft Issued 1/23/24

By the Numbers
Actuarial Consulting, Inc.

UTAH COUNTIES INDEMNITY POOL

ACTUARIAL REPORT
Reserve Analysis as of 12/31/23

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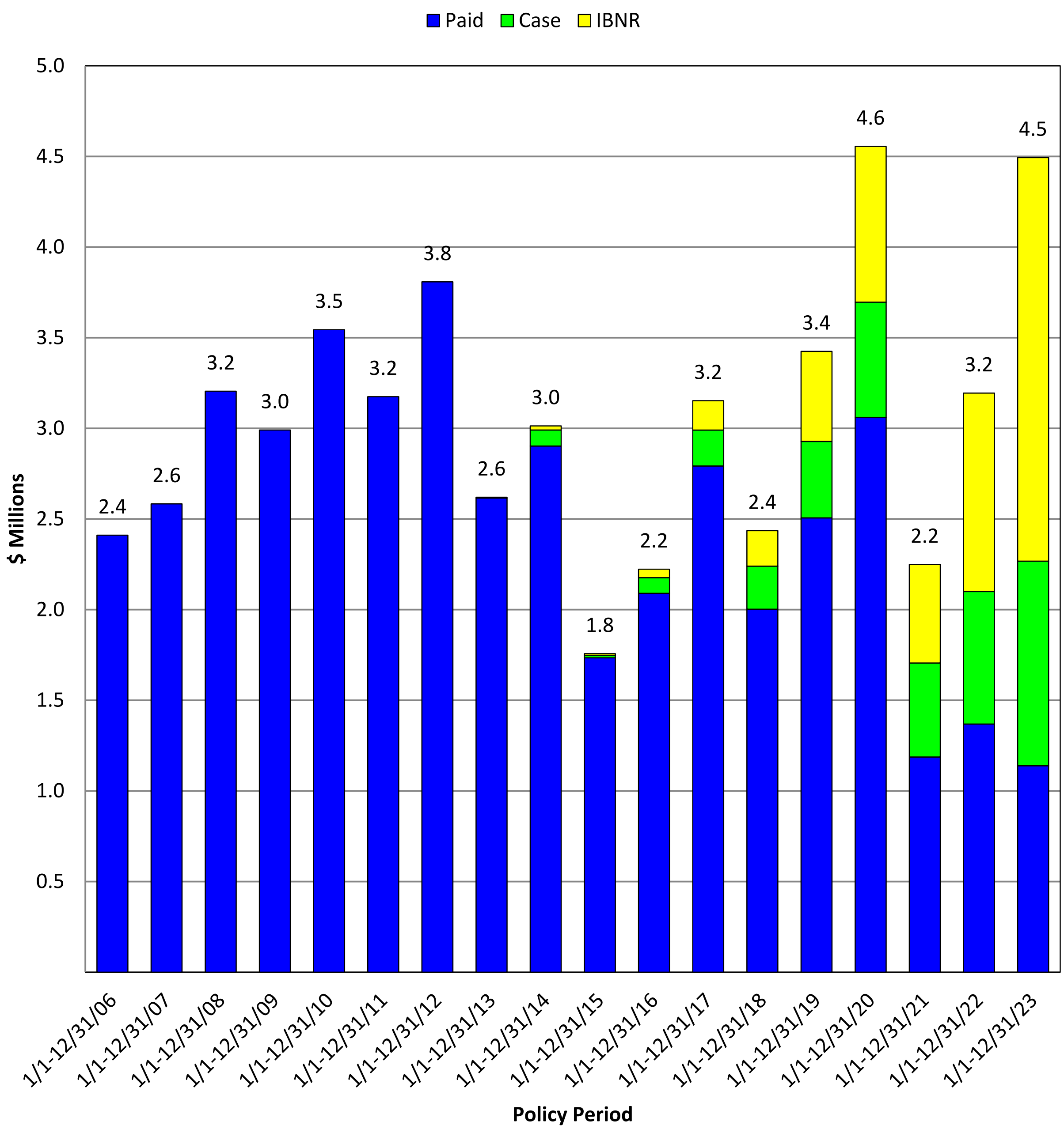
1/23/24

Figure 1

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

ESTIMATED RETAINED LOSSES AS OF 12/31/23



estimates of ultimate for these two coverages decreased $398,175. This decrease was offset by an increase of $153,411 in the estimate for auto liability for the period. This increase is due to the emergence of a large loss as shown in Appendix A, Exhibit IV. The increase in the 1/1-12/31/16 period is due to a law enforcement liability claim that reopened (see Appendix A, Exhibit I). Adverse law enforcement liability, public officials liability, and auto liability experience contributed to the increase in the 1/1-12/31/20 period.

COMPARISON OF ESTIMATED ULTIMATE
INCURRED LOSSES TO PRIOR ACTUARIAL REPORT
ALL COVERAGES
(Limited to Specific Retentions)
(Net of Recoveries)

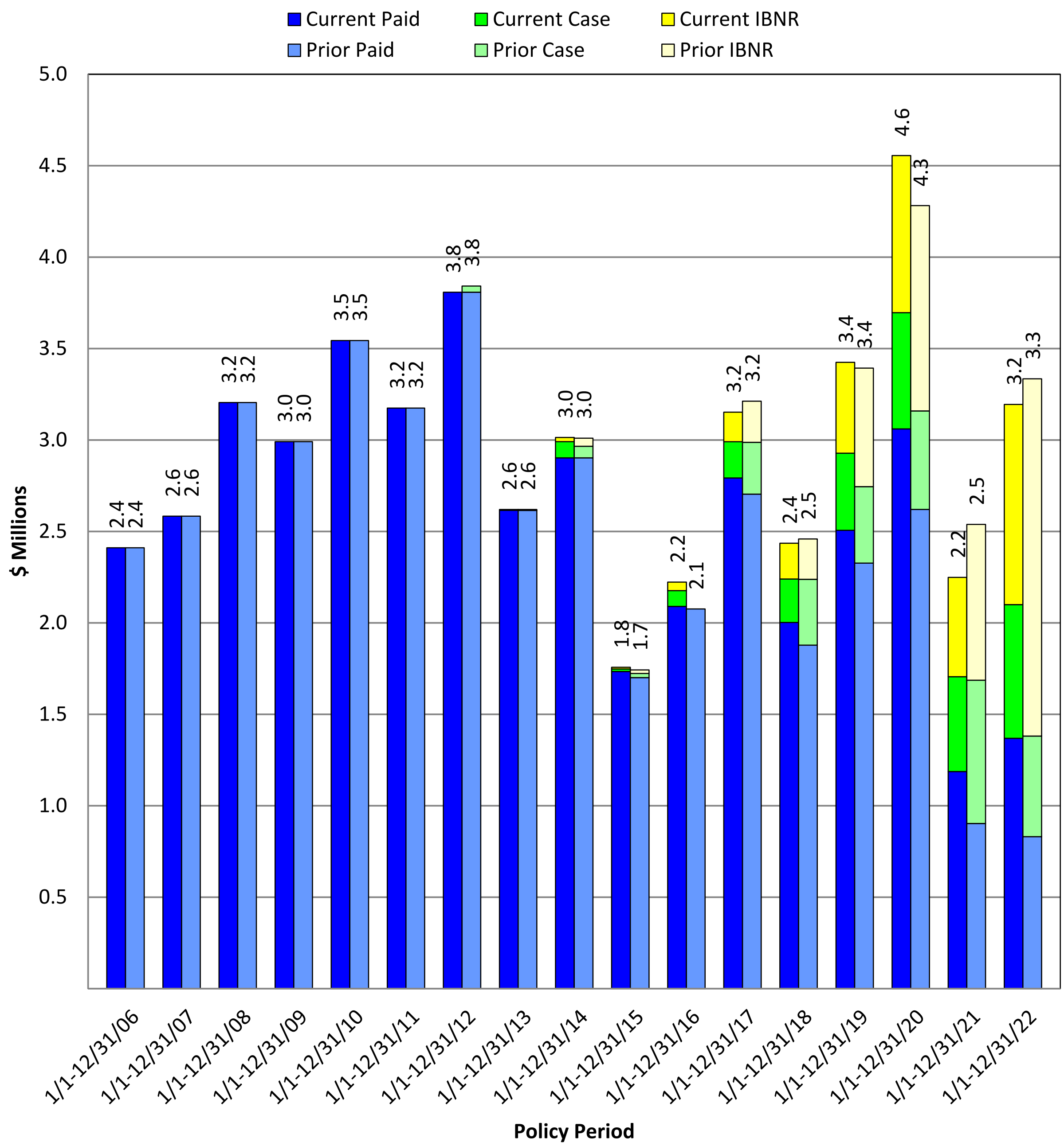
Policy Period	Current Report (Table 43 Section A)	2/20/23 Report (Table 43 Section A)	Change	Percent Change
1/1-12/31/06	$ 2,410,765	$ 2,410,765	$ 0	0.0%
1/1-12/31/07	2,583,379	2,583,379	0	0.0%
1/1-12/31/08	3,204,919	3,204,919	0	0.0%
1/1-12/31/09	2,990,926	2,990,926	0	0.0%
1/1-12/31/10	3,544,114	3,544,114	0	0.0%
1/1-12/31/11	3,174,646	3,174,617	29	0.0%
1/1-12/31/12	3,808,213	3,842,099	(33,886)	(0.9%)
1/1-12/31/13	2,620,185	2,620,185	0	0.0%
1/1-12/31/14	3,013,746	3,009,879	3,867	0.1%
1/1-12/31/15	1,757,317	1,742,783	14,534	0.8%
1/1-12/31/16	2,223,089	2,076,224	146,865	7.1%
1/1-12/31/17	3,152,550	3,212,472	(59,922)	(1.9%)
1/1-12/31/18	2,435,494	2,458,878	(23,384)	(1.0%)
1/1-12/31/19	3,424,739	3,393,301	31,438	0.9%
1/1-12/31/20	4,555,404	4,281,783	273,621	6.4%
1/1-12/31/21	2,249,020	2,538,831	(289,811)	(11.4%)
1/1-12/31/22	3,194,471	3,334,515	(140,044)	(4.2%)
Total	$50,342,977	$50,419,670	($ 76,693)	(0.2%)

Figure 2

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES TO PRIOR ACTUARIAL REPORT
(Limited to Specific Retentions, Net of Recoveries)



Appendix C (Continued)

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

ESTIMATED ULAE RESERVE

C. ESTIMATED OPEN CLAIMS AND IBNR CLAIMS

Policy Period	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132+ Months
1/1-12/31/06											0
1/1-12/31/07											1
1/1-12/31/08											0
1/1-12/31/09											0
1/1-12/31/10											0
1/1-12/31/11											1
1/1-12/31/12											1
1/1-12/31/13											2
1/1-12/31/14										3	2
1/1-12/31/15									2	2	1
1/1-12/31/16								3	2	2	1
1/1-12/31/17							7	5	4	3	2
1/1-12/31/18						7	4	3	2	2	1
1/1-12/31/19					12	8	4	3	3	2	1
1/1-12/31/20				14	10	7	4	3	2	2	1
1/1-12/31/21			12	9	6	4	2	2	1	1	1
1/1-12/31/22		17	11	9	6	4	2	2	1	1	1
1/1-12/31/23	78	32	21	16	11	7	4	3	2	2	1

D. ESTIMATED ULAE RESERVE*

Policy Period	12 to 24 Months	24 to 36 Months	36 to 48 Months	48 to 60 Months	60 to 72 Months	72 to 84 Months	84 to 96 Months	96 to 108 Months	108 to 120 Months	108 to 120 Months	120 to 132+ Months	Total
1/1-12/31/06											0	0
1/1-12/31/07											375	375
1/1-12/31/08											0	0
1/1-12/31/09											0	0
1/1-12/31/10											0	0
1/1-12/31/11											375	375
1/1-12/31/12											375	375
1/1-12/31/13											750	750
1/1-12/31/14										1,125	750	1,875
1/1-12/31/15									750	750	375	1,875
1/1-12/31/16								1,125	750	750	375	3,000
1/1-12/31/17							2,625	1,875	1,500	1,125	750	7,875
1/1-12/31/18						2,625	1,500	1,125	750	750	375	7,125
1/1-12/31/19					4,500	3,000	1,500	1,125	1,125	750	375	12,375
1/1-12/31/20				5,250	3,750	2,625	1,500	1,125	750	750	375	16,125
1/1-12/31/21			4,500	3,375	2,250	1,500	750	750	375	375	375	14,250
1/1-12/31/22		6,375	4,125	3,375	2,250	1,500	750	750	375	375	375	20,250
1/1-12/31/23	29,250	12,000	7,875	6,000	4,125	2,625	1,500	1,125	750	750	375	66,375
Total	29,250	18,375	16,500	18,000	16,875	13,875	10,125	9,000	7,125	7,500	6,375	$153,000

* Estimated by UCIP to equal $375 per open claim per year.

Table 43

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

ESTIMATED REQUIRED RESERVES AS OF 12/31/23
(Limited to Specific Retentions)
(Net of Recoveries)

A. LOSS SUMMARY

Policy Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/23	Paid Losses as of 12/31/23
1/1-12/31/06	$ 2,410,765	$ 2,410,765	$ 2,410,765
1/1-12/31/07	2,583,379	2,583,379	2,583,379
1/1-12/31/08	3,204,919	3,204,919	3,204,919
1/1-12/31/09	2,990,926	2,990,926	2,990,926
1/1-12/31/10	3,544,114	3,544,114	3,544,114
1/1-12/31/11	3,174,646	3,174,646	3,174,646
1/1-12/31/12	3,808,213	3,808,213	3,808,213
1/1-12/31/13	2,620,185	2,620,185	2,615,495
1/1-12/31/14	3,013,746	2,990,945	2,902,385
1/1-12/31/15	1,757,317	1,748,234	1,734,196
1/1-12/31/16	2,223,089	2,176,224	2,090,111
1/1-12/31/17	3,152,550	2,990,695	2,792,457
1/1-12/31/18	2,435,494	2,239,929	2,002,236
1/1-12/31/19	3,424,739	2,927,678	2,506,170
1/1-12/31/20	4,555,404	3,696,134	3,060,656
1/1-12/31/21	2,249,020	1,705,530	1,187,050
1/1-12/31/22	3,194,471	2,099,804	1,368,912
1/1-12/31/23	4,493,798	2,267,624	1,138,981
Total	$54,836,775	$49,179,944	$45,115,611

B. ESTIMATED REQUIRED RESERVES AS OF 12/31/23

Policy Period	Case Reserves as of 12/31/23	Estimated IBNR as of 12/31/23	Estimated Required Reserves as of 12/31/23
1/1-12/31/06	$ 0	$ 0	$ 0
1/1-12/31/07	0	0	0
1/1-12/31/08	0	0	0
1/1-12/31/09	0	0	0
1/1-12/31/10	0	0	0
1/1-12/31/10	0	0	0
1/1-12/31/12	0	0	0
1/1-12/31/13	4,690	0	4,690
1/1-12/31/14	88,560	22,801	111,361
1/1-12/31/15	14,038	9,083	23,121
1/1-12/31/16	86,113	46,865	132,978
1/1-12/31/17	198,238	161,855	360,093
1/1-12/31/18	237,693	195,565	433,258
1/1-12/31/19	421,508	497,061	918,569
1/1-12/31/20	635,478	859,270	1,494,748
1/1-12/31/21	518,480	543,490	1,061,970
1/1-12/31/22	730,892	1,094,667	1,825,559
1/1-12/31/23	1,128,643	2,226,174	3,354,817
Total	$ 4,064,333	$ 5,656,831	$ 9,721,164

FINDINGS

The findings are the product of loss experience, actuarial assumptions, quantitative analysis, and professional judgment. The estimated required reserves are expressed in terms of ranges that indicate the reliance on assumptions believed to be reasonable and are subject to all the limitations expressed herein.

ESTIMATED REQUIRED RESERVES

The required reserves shown in the following tables should be used for financial statement reporting as of that date. However, until all the claims that occurred on or before 12/31/23 are closed, the actual reserve need remains an estimate. While the experience of UCIP indicates that the required reserves will fall within the range established in this report, the possibility exists that extraordinary or unexpected circumstances could cause the actual reserve need to be less than or greater than the range. Therefore, the findings cannot be warranted or guaranteed.

ESTIMATED LOSS AND ALAE RESERVES INCLUDING IBNR FOR 1/1/06-12/31/23 AS OF 12/31/23
(Limited to Specific Retentions)

	Line of Business	Low	Expected	High
Undiscounted for Investment Income	LE, PO, & GL	$ 8,190,000	$ 8,900,000	$ 9,970,000
	AL	490,000	530,000	600,000
	Property	250,000	290,000	340,000
	Total	$ 8,930,000	$ 9,720,000	$10,910,000
Discounted at 4.0% per Annum	LE, PO, & GL	$ 7,350,000	$ 7,990,000	$ 8,950,000
	AL	470,000	510,000	580,000
	Property	240,000	280,000	330,000
	Total	$ 8,060,000	$ 8,780,000	$ 9,860,000

Figure 5

UTAH COUNTIES INDEMNITY POOL

LAW ENFORCEMENT LIABILITY

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES
(Limited to Specific Retentions)

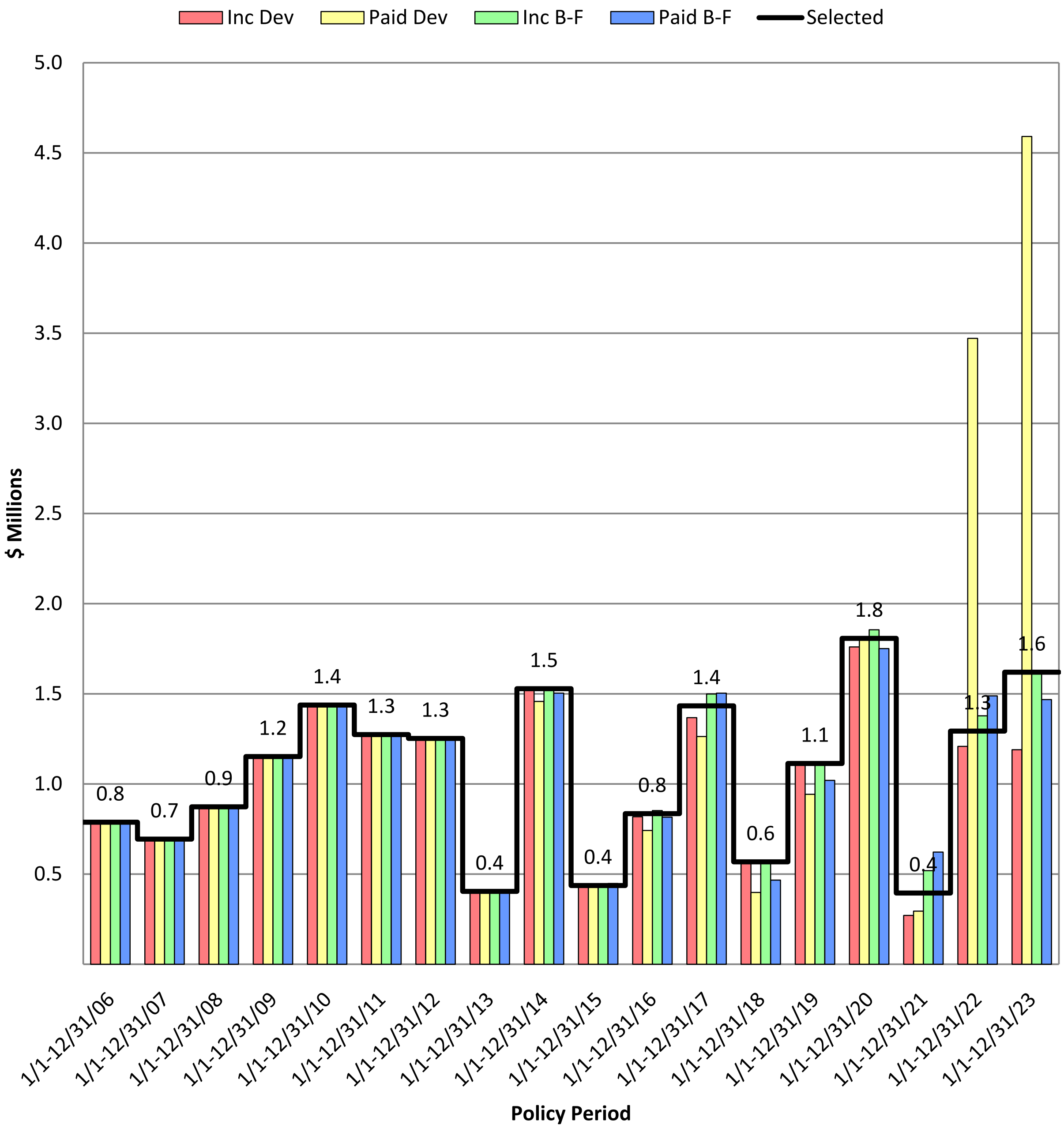


Figure 6

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

HISTORICAL PROFITABILITY ANALYSIS
(Excluding Investment Income)

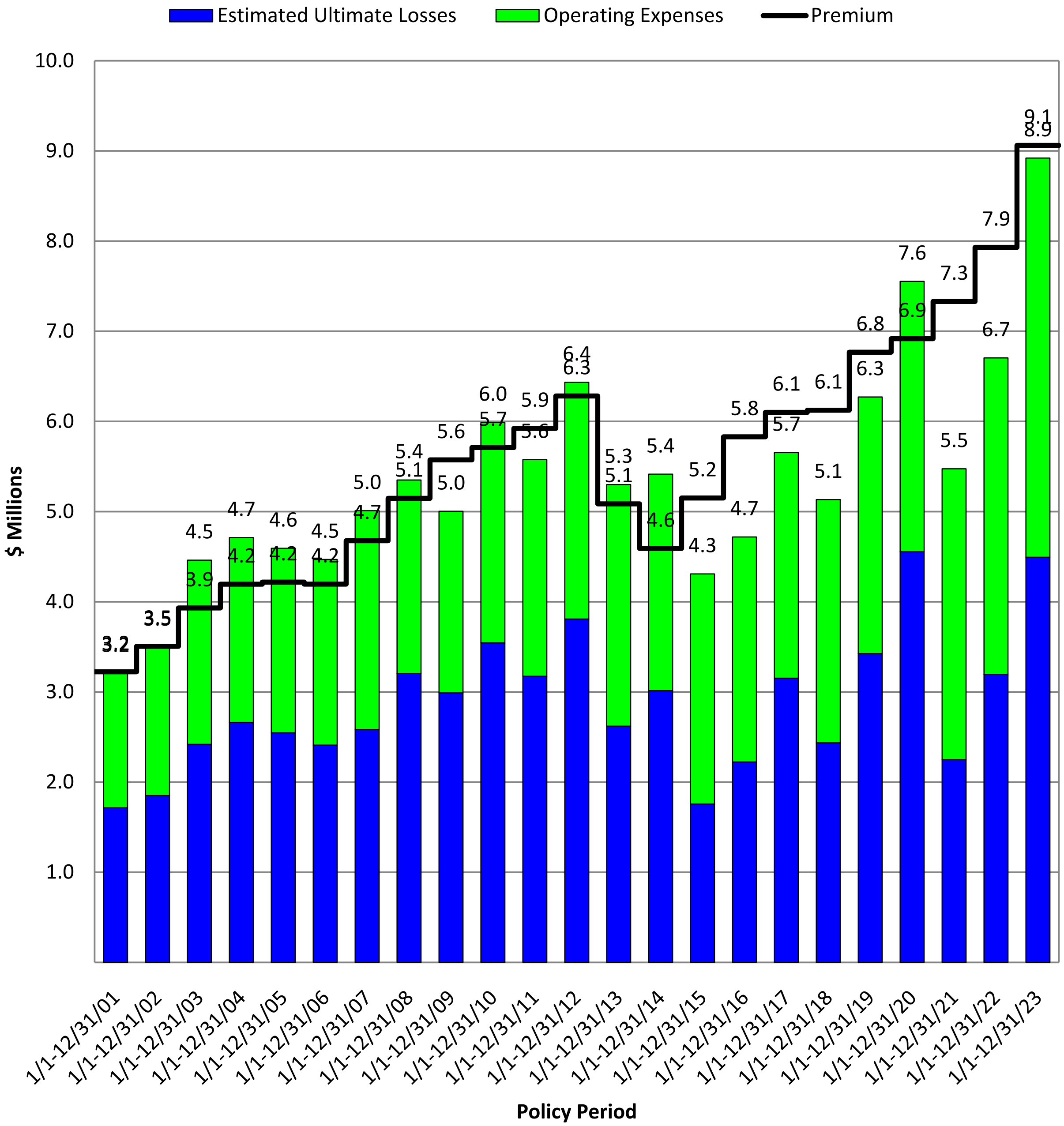


Table 46

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

LOSS RATIOS
(Limited to Specific Retentions)
(Net of Recoveries)

Policy Period	Paid Loss Ratio as of 12/31/23	Incurred Loss Ratio as of 12/31/23	Estimated Ultimate Incurred Loss Ratio	Permissible Loss Ratio (Funds Available/ Contributions)	Combined Ratio [(Losses+ Expenses)/ Contributions]
1/1-12/31/06	0.575	0.575	0.575	0.509	1.065
1/1-12/31/07	0.552	0.552	0.552	0.481	1.071
1/1-12/31/08	0.623	0.623	0.623	0.583	1.040
1/1-12/31/09	0.537	0.537	0.537	0.639	0.898
1/1-12/31/10	0.621	0.621	0.621	0.572	1.049
1/1-12/31/11	0.536	0.536	0.536	0.594	0.942
1/1-12/31/12	0.606	0.606	0.606	0.582	1.024
1/1-12/31/13	0.514	0.515	0.515	0.473	1.042
1/1-12/31/14	0.632	0.651	0.656	0.477	1.179
1/1-12/31/15	0.337	0.339	0.341	0.505	0.837
1/1-12/31/16	0.359	0.373	0.381	0.572	0.810
1/1-12/31/17	0.458	0.490	0.517	0.590	0.927
1/1-12/31/18	0.327	0.366	0.398	0.559	0.838
1/1-12/31/19	0.370	0.433	0.506	0.579	0.927
1/1-12/31/20	0.442	0.534	0.659	0.567	1.092
1/1-12/31/21	0.162	0.233	0.307	0.560	0.747
1/1-12/31/22	0.173	0.265	0.403	0.557	0.845
1/1-12/31/23	0.126	0.250	0.496	0.511	0.985
Total			0.506	0.553	0.953

UTAH COUNTIES INDEMNITY POOL

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2023

Larson
CERTIFIED PUBLIC ACCOUNTANTS

UTAH COUNTIES INDEMNITY POOL

CONTENTS

Larson
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

The Board of Directors
Utah Counties Indemnity Pool
Murray, Utah

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Utah Counties Indemnity Pool (UCIP), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise UCIP's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of UCIP, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Utah Counties Indemnity Pool and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Utah Counties Indemnity Pool's ability to continue as a going concern for twelve months beyond the financial statement date, including currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute aassurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of UCIP's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about UCIP's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2024, on our consideration of UCIP's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Larson & Company, PC

Larson & Company, PC
Spanish Fork, Utah

April 15, 2024

UTAH COUNTIES INDEMNITY POOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
Year ended December 31, 2023

In conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, the management of the Utah Counties Indemnity Pool (the Pool or UCIP) presents this Management's Discussion and Analysis for the readers of UCIP's financial statements. Our intent is to provide a narrative overview and analysis of the financial activities of UCIP for the fiscal year ended December 31, 2023. Readers are encouraged to consider this information in conjunction with the financial statements, notes to the financial statements and required supplementary information included in the independent auditor's report.

FINANCIAL STATEMENTS PROVIDED

Included in the independent auditor's report are the basic financial statements required under the GASB standards including:

- Statements of Net Position—accounts for all assets, deferred outflows or resources, liabilities and deferred inflows of resources of UCIP as of December 31, 2023, showing the balance of net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) as of that date.

- Statements of Revenues, Expenses, and Changes in Net Position—accounts for all revenue and expenses accrued for the fiscal period, with calculation of the change in net position (revenue minus expenses) for the period. Expenses are classified as Operating Expenses (primarily consisting of expected losses to be paid and the cost of excess insurance covering catastrophic losses) and Administrative Expenses (primarily consisting of staff salaries and benefits and office operations). Expenses are further categorized to provide a level of detail appropriate for general management overview and control.

- Statements of Cash Flows—accounts for all revenues and expenses received or paid during the fiscal period with a calculation of net increase in cash and cash equivalents (revenue minus expenses) and total cash and cash equivalents at the end of the period. This statement provides a contrasting view of the revenues and expenses from the Statement of Revenues, Expenses, and Changes in Net Position as it accounts for revenues and expenses that were actually received or paid during the period, regardless of when the revenue was earned or due, or when the expense was accrued or invoiced.

BASIS OF ACCOUNTING METHODS

Financial statements provided in this report are reported using the Governmental Accounting Standards Board (GASB) basis of accounting. Traditional insurance companies often utilize statutory accounting methods in development of their financial statements that differ significantly from GASB accounting methods. Attempts to perform simple comparisons or benchmark analysis of a commercial carrier's financial reports and the financial reports contained here will likely yield distorted results.

CONDENSED FINANCIAL INFORMATION

The following Condensed Financial Statements are meant to provide a summary view of the audited financial statements as support for comments and analysis of the financial condition of UCIP offered by management in this letter.

UTAH COUNTIES INDEMNITY POOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
Year ended December 31, 2023

Assets and Liabilities

Current and other assets increased $2,724,235 at year end 2023 compared to the prior year end. Current and other assets include short term investments of $1,407,192. Long term investments decreased $559,999 for the same period. Capital contributions increased $454,780 from the prior year end. Capital assets decreased $1,231. Deferred outflows of resources in the amount of $210,223 in the year 2023 and $152,113 in prior year 2022 are reflected as a result of the implementation of GASB 68. Deferred outflows related to pensions increased $58,110. Total assets increased $2,675,895 as of December 31, 2023 over the prior year.

Total liabilities at year end 2023 increased $1,845,540 from the prior year end. This increase was primarily the result of an increase in reserve for losses and loss adjustment expense. Noncurrent liabilities in the year 2023 and 2022 are reflected as a result of the implementation of GASB 68, Accounting and Financial Reporting for Pensions. The statement requires employers providing defined benefit pensions through pension plans administered as trusts, to recognize their long-term obligation for those benefits as a liability. The Pool provides a defined pension plan to certain employees through the Utah Retirement Systems (URS) and therefore, the Pool has recorded a noncurrent liability of $78,229 in 2023 and $0 in 2022. Inflows related to pensions amounted to $756 in 2023.

In 2023 and 2022, net position increased $830,356 and increased by $1,985,691, respectively during the fiscal years then ended.

The condensed statements of net assets for the years ended 2023, 2022, and 2021 with comparative information for 2023 and 2022 are shown as follows:

	2023	2022	Net Change	2021
Assets:				
Current and other assets	$ 17,878,181	$ 15,153,946	$ 2,724,235	$ 15,429,123
Long Term Investments	2,143,550	2,703,549	(559,999)	200,135
Capital Contributions	2,970,278	2,515,498	454,780	3,094,267
Capital assets	827	2,058	(1,231)	534,038
Outflows related to pensions	210,223	152,113	58,110	135,879
Total assets	$ 23,203,059	$ 20,527,164	$ 2,675,895	$ 19,393,442
Liabilities:				
Current and other liabilities	$ 1,220,645	$ 714,822	$ 505,823	$ 510,967
Reserve for losses and loss adjustment	9,874,164	8,252,577	1,621,587	9,471,840
Noncurrent liabilities	78,229	-	78,229	23,610
Inflows related to pensions	756	360,855	(360,099)	173,806
Total liabilities	11,173,794	9,328,254	1,845,540	10,180,223
Net position:				
Invested in capital assets	827	529,241	(528,414)	529,241
Unrestricted	12,028,438	10,669,669	1,358,769	8,683,978
Total net position	12,029,265	11,198,910	830,356	9,213,219
Total liabilities and net position	$ 23,203,059	$ 20,527,164	$ 2,675,897	$ 19,393,442

UTAH COUNTIES INDEMNITY POOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
Year ended December 31, 2023

Operating Revenue and Expense

Revenue from contributions increased $1,130,858 for a total of $9,061,299 in 2023. This increase is attributed to an increase in member exposures and increased rates applicable to reinsured layers. Other income decreased $54,468 primarily due to the sale of property in 2022. Operating expenses increased $4,579,503 primarily due to the increase in loss and loss adjustment expenses, reinsurance costs, and administration costs.

The condensed statements of operating revenue and expense for the years ended 2023, 2022 and 2021 with comparative information for 2023 and 2022 are shown as follows:

	2023	2022	Net Change	2021
Operating revenue:				
Contributions	$ 9,061,299	$ 7,930,441	$ 1,130,858	$ 7,330,247
Investment income	1,015,500	307,703	707,797	71,296
Other income	8,767	63,236	(54,468)	17,462
Total operating revenues	$ 10,085,566	$ 8,301,380	$ 1,784,187	$ 7,419,005
Operating expenses:				
Loss and loss adjustment expenses	$ 5,390,564	$ 1,659,690	$ 3,730,873	$ 3,728,325
Reinsurance coverage	3,098,312	2,518,914	579,398	2,165,749
Administration	1,260,411	991,179	269,232	1,059,866
Total operating expenses	9,749,286	5,169,783	4,579,503	6,953,940
Net operating income	336,281	3,131,597	(2,795,316)	465,065
Fair value equity/investment	494,075	(1,145,907)	1,639,983	(478,325)
Change in net position	$ 830,356	$ 1,985,690	(1,155,333)	$ (13,260)

Investments

As a governmental subdivision regulated by the Money Management Council (MMC), UCIP invests the majority of funds in the Public Treasurers' Investment Fund (PTIF). Utilizing this "safe harbor" for compliance with the Money Management Act also provides UCIP significant liquidity and protection of capital in its invested assets. In 2017, UCIP created a new restricted account in the PTIF to comply with the MMC's Rule 4 for Interlocal Agencies providing crime insurance. $125,000 equals 50% of the per occurrence limit of crime coverage.

In 2011, UCIP moved $2,000,000 of invested funds and an additional $1,000,000 in 2022 to Zions Capital Advisors in anticipation of increasing investment rates. In 2023 and 2022 rates continue to outperform the PTIF rates. For the purpose of the condensed statements of cash and cash equivalents and investments, investments—U.S. government securities include the Pool's total short-term investments and long term investments combined.

UCIP is a member of County Reinsurance Limited (CRL), a property and liability reinsurance pool of county-based pools across the United States structured as a captive reinsurance company domiciled in Vermont. UCIP has equity ownership in CRL.

UTAH COUNTIES INDEMNITY POOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
Year ended December 31, 2023

The condensed statements of cash and cash equivalents and investments for the years ended 2023, 2022 and 2021 with comparative information for 2023 and 2022 are shown as follows:

	2023	2022	Net Change	2021
Cash and cash equivalents:				
Cash on deposit	$ 67,919	$ 54,554	$ 13,365	$ 54,926
Public Treasurers' Investment Fund	15,057,956	13,156,418	1,901,538	12,855,172
Zions Capital Advisors	464,196	159,850	304,346	1,227,748
Total cash and cash equivalents	15,590,072	13,370,822	2,219,249	14,137,846
Investments and capital contributions:				
Investments - U.S. government securities	3,550,741	3,647,687	-96,944	1,076,826
Equity in County Reinsurance Limited	2,970,278	2,515,498	454,780	3,094,267
Total investments	6,521,019	6,163,185	357,836	4,171,093
Total cash and cash equivalents and investments	$ 22,111,091	$ 19,534,007	$ 2,577,084	$ 18,308,939

Financial Position

The Net Asset Management Policy was adopted by the Board to actively manage UCIP's net position between 50-250% of annual revenue. The Policy provides that when net position exceeds 250% of annual revenue, the Board shall issue dividends unless the Board has specific needs for such surplus as described in the Net Asset Management Policy. Dividends may be issued as Experience Dividends, Equity Dividends and/or Member in Good Standing Dividends based on the UCIP Dividend Policy. Based on the 2023 member contributions of $9,061,299, the surplus (net position) to contributions (revenue) ratio at year end 2023 was within the Net Asset Management Policy and industry standards.

The condensed statements of changes in net position for the years ended 2023, 2022, and 2021 with comparative information for 2023 and 2022 are shown as follows:

	2023	2022	Net Change	2021
Revenues and expenses:				
Revenues	$ 10,579,641	$ 7,155,473	$ 3,424,168	$ 6,940,680
Expenses	9,749,285	5,169,783	4,579,502	6,953,940
Net income (loss)	830,356	1,985,690	-1,155,333	(13,260)
Net position, beginning of year	$ 11,198,910	$ 9,213,220	1,985,690	9,226,480
Net position, end of year	$ 12,029,266	$ 11,198,910	$ 830,356	$ 9,213,220

BUDGET

Revenue

Actual 2023 revenues were $324,267 more than budgeted primarily due to the increase in investment income.

Losses and Reinsurance Expenses

UTAH COUNTIES INDEMNITY POOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
Year ended December 31, 2023

Actual loss and loss adjustment expense was $1,455,563 more than the budget due to an increase of $1,621,587 in year end case reserves. Actual reinsurance expense was $1,246,688, less than the budget due to an overestimation of liability and property reinsurance premiums.

Administrative Expenses

Management closely monitored budgeted administrative expenses of $1,438,000 and was able to operate with actual expenses of $1,260,410.

MARKET TRENDS IN 2023

Management anticipates decreased competitive pressure due to hardening market conditions, particularly in the property lines of coverage. UCIP has already seen an increase in new membership applications as a result of increased pricing in the market. UCIP will look to strengthen its new member underwriting procedures to assure new membership growth does not negatively impact underwriting results.

Property

As the property reinsurance market has recently experienced the worst loss years in history back to back, property reinsurance markets are reducing capacity and raising rates significantly. UCIP's participation in County Reinsurance Limited (CRL), a captive insurer owned by county pools across the US has provided UCIP with significant buffering from the changes in the marketplace. UCIP became a founding member of CRL's Property Plus program in 2019, which allows CRL and its property program members to take risk on a layer of reinsurance at a level that should provide underwriting revenue while reducing reinsurance premiums.

Liability

Carriers continue to increase liability premiums into 2023. As the liability market increases premiums to improve their combined ratios to attract investors, they will also have to deal with reduced capacity and increased premiums from the liability reinsurance market. This continuing "hardening" of the market will relieve some competitive pressure, but will also create increased reinsurance costs. UCIP's participation in CRL will relieve some of the market pressure other insurers will feel in 2024. UCIP has already seen an increase in new member applications as special service districts receive renewal quotes from traditional insurers with reduced coverage, increased deductibles and increased premiums.

Questions concerning any of the information in this report, or any other matters related to UCIP's budget and finances should be addressed to the Chief Executive Officer, Utah Counties Indemnity Pool, 5397 S Vine, Murray, UT 84107.

UTAH COUNTIES INDEMNITY POOL

STATEMENT of NET POSITION

For the Year Ended December 31, 2023

		2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	15,590,071
Short-term investments		1,407,192
Accounts receivable		6,715
Prepaid expenses		874,204
Net pension asset		-
TOTAL CURRENT ASSETS		17,878,181
LONG TERM INVESTMENTS		2,143,550
CAPITAL CONTRIBUTIONS		2,970,278
PROPERTY AND EQUIPMENT		827
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions		210,223
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$	23,203,059
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Reserves for losses and loss adjustment expenses	$	9,874,164
Accrued expenses		338,014
Contributions paid in advance		882,631
TOTAL CURRENT LIABILITIES		11,094,809
NONCURRENT LIABILITIES		
Net pension liability		78,229
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions		756
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		11,173,794
NET POSITION		
Net investment in capital assets		827
Unrestricted		12,028,438
TOTAL NET POSITION		12,029,265
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$	23,203,059

The accompanying notes are an integral part of the financial statements.

UTAH COUNTIES INDEMNITY POOL

STATEMENTS of REVENUES, EXPENSES, and CHANGES in NET POSITION

For the Year Ended December 31, 2023

	2023
OPERATING INCOME	
Contributions	$ 9,061,299
Investment Income	1,015,500
Other Income	8,767
TOTAL OPERATING INCOME	10,085,566
UNDERWRITING EXPENSES	
Losses and Loss Adjustment Expenses	5,390,564
Reinsurance Coverage	3,098,312
TOTAL UNDERWRITING EXPENSES	8,488,875
ADMINISTRATION EXPENSES	
Directors	25,807
Depreciation	1,231
Risk Management	30,847
Public Relations	36,617
Office	102,671
Financial/Professional	98,541
Personnel	964,696
TOTAL ADMINISTRATION EXPENSES	1,260,410
TOTAL OPERATING EXPENSES	9,749,285
NET OPERATING INCOME	336,281
OTHER INCOME/(EXPENSES)	
Change in Fair Value Investments	39,295
Change in Fair Value Equity	454,780
TOTAL OTHER EXPENSES	494,075
CHANGE IN NET POSITION	830,356
NET POSITION AT BEGINNING OF YEAR	11,198,910
NET POSITION AT END OF YEAR	$ 12,029,265

The accompanying notes are an integral part of the financial statements.

UTAH COUNTIES INDEMNITY POOL
STATEMENT of CASH FLOWS
For the Year Ended December 31, 2023

	2023
CASH FLOWS FROM OPERATING ACTIVITIES	
Contributions collected	$ 9,387,819
Other fees collected	8,767
Reinsurance paid	(3,400,033)
Losses and loss expenses paid	(3,768,977)
Cash paid to employees	(853,656)
Other administrative expenses paid	(294,483)
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	1,079,437
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	551,725
Investment income	600,015
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	1,139,812
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,219,249
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	13,370,822
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 15,590,071
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Change in net position	$ 336,281
Adjustments to reconcile change in net position to net cash flows used by operating activities	
Depreciation	1,231
Interest on investments	(1,015,500)
Net outflows of resources relating to pension	(74,228)
Accounts receivable	5,965
Prepaid expenses	(301,721)
Reserves for loss and loss adjustment expenses	1,621,587
Accrued expenses	185,268
Contributions paid in advance	320,555
Total adjustments	743,158
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,079,437

The accompanying notes are an integral part of the financial statements.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Utah Counties Indemnity Pool (the Pool or UCIP) was incorporated in December 1991 as the Utah Association of Counties Insurance Mutual (the Mutual). In July 2003, the Mutual was renamed the Utah Counties Insurance Pool. In January 2012, the Pool was renamed the Utah Counties Indemnity Pool. The Pool is a non-profit Interlocal entity formed under Section 11-13-101 et. seq. *Utah Code Annotated, 1953* as amended, operated as a joint liability reserve fund under Section 63G-7-703 and 801 for counties who enter into the Interlocal Agreement that creates UCIP. The Pool is referred to as a "public agency insurance mutual" under the insurance statutes of the State of Utah, Section 31A-1-103(7). All of the Pool's business activities are conducted in the State of Utah.

Accounting Principles

These financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The Pool has adopted Governmental Accounting Standards Board (GASB) Statement No 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, GASB Statement No. 37, Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments: Omnibus, and GASB Statement No. 38, Certain Financial Statement Note Disclosures. The Pool has also adopted GASB Statement No. 40, Deposit and Investment Risk Disclosures, GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position, and GASB Statement No. 68, Accounting and Financial Reporting for Pensions, and GASB Statement No 72, Fair Value Measurement and Application. With the implementation of these statements, the Pool has prepared required supplementary information titled "Management's Discussion and Analysis" which precedes the basic financial statements, has prepared a balance sheet classified between current and noncurrent assets and liabilities, has categorized net position as net invested in capital assets and unrestricted, has prepared the statements of cash flows on the direct method, and provided additional schedules to better communicate the financial status of the governmental entity.

The accounting policies of the Pool conform to accounting principles generally accepted in the United States of America in all material respects. The following is a summary of the more significant policies.

Basis of Accounting

The Pool reports as a single enterprise fund and uses the accrual method of accounting and the economic resources measurement focus. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Specifically, the Pool's reserves for losses and loss adjustment expenses are subject to change and actual results could differ from those estimates.

Income Taxes

The Pool is exempt from the payment of income taxes under Section 115 of the Internal Revenue Code.

Compensated Absences

Accumulated unpaid vacation and sick pay amounts are accrued when benefits vest to employees and the unpaid liability is reflected as accrued expenses.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Pool considers all highly liquid debt instruments with maturities of three months or less when purchased to be cash equivalents. Therefore, the investments in the Utah Public Treasurers' Fund (PTIF) and cash on deposit are considered to be cash equivalents.

Investments

Investments are comprised of various U.S. Government securities and certificates of deposit. Investments in U.S. Government securities as of December 31, 2023 consist of held-to-maturity securities. Held-to-maturity securities are reported at cost, adjusted for amortization of premiums and accretion of discounts that are recognized in interest income using the effective interest method over the period to maturity.

Investment Valuation

The Pool categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

- Level 1 inputs are quoted prices in active markets for identical assets;
- Level 2 inputs are significant other observable inputs;
- Level 3 inputs are significant unobservable inputs.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions Paid in Advance

Contributions paid by members prior to January 1 of the next calendar year are considered to be deferred until January 1 and are reported as liabilities in the statement of net assets.

Ancillary Coverages

The Pool assists members in placing coverage for exposures not included in the coverage addendum, i.e., aircraft hull, airport liability, bonds, builder's risk, excess privacy or security event (cyber) liability, and workers compensation. The Pool does not receive any fees on monies collected for member coverage placement.

Contributions

Contributions are assessed in December and due and collectable annually on January 1.

Capital Assets

Capital assets are defined by the Pool as assets with an initial individual cost of more than $5,000. Capital assets are stated at cost less accumulated depreciation. Depreciation on furniture, equipment and electronic data processing equipment is provided over the estimated useful lives of the assets on the straight-line method. Useful lives vary from three to five years. Depreciation expense for the year ended December 31, 2023 amounted to $1,231.

Net Asset Management

To assure that the Pool's assets are adequate without holding excessive net assets, the Pool manages net asset levels between 100% and 200% of annual revenue. Net assets should be controlled within a minimum of 50% and a maximum of 250% of annual revenue. The Pool utilizes a Rate Stabilization Fund and a Dividend Plan to manage net assets.

The Rate Stabilization Fund is utilized to designate surplus to fund unexpected increases in expenses, which necessitate increases in rates short term to allow rate increases to be made incrementally, or to negate temporary rate increases. The Rate Stabilization Fund is a Board-designated portion of unrestricted net assets to be deducted from the Total Net Assets (referred to as Unrestricted Net Position on the financial statements) when determining net assets available for payment of dividends to members and, as required by GASB, is reported as a designation only in the notes to the financial statements. The balance in the Rate Stabilization Fund as of December 31, 2023 was $830,000. The Dividend Plan is utilized by the Board to return excess net assets to members.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Asset Management (Continued)

The Net Asset Management Plan indicates net assets should not exceed 250% of contributions unless the Pool has specific needs for such surplus, which may include the following: expectation of new membership; development of a new line of coverage; development of new or expanded coverage; change or restructure of reinsurance program specifically the Pool's self-insured retention; or development of new or expanded services.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) including additions to and deductions from URS's fiduciary net position, have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the Pool reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the Pool reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Reserves for Losses and Loss Adjustment Expenses

The reserves for losses and loss adjustment expenses include an amount actuarially determined from individual case estimates and loss reports and an amount based on past experience for losses incurred but not reported. The liabilities are based on the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Such liabilities are necessarily based on assumptions and estimates and while management believes that amounts are adequate, the ultimate liability may be in excess of or less than the amount provided.

The Pool's actuary provides a range of estimates of the reserves for losses and loss adjustment expenses at three levels of confidence: low (50% confidence), expected (66% confidence) and high (80% confidence). Accounting standards require the Pool to book the "expected" level of reserves on their financial statements, and does not allow for the Board to designate or delineate any other amount in the range on the financial statements.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reserves for Losses and Loss Adjustment Expenses (Continued)

In consideration of the Board's duty to protect public funds and the inability of the Pool to assess members if reserves are not adequate, the Board prefers to reserve for claims with greater confidence than the 66% "expected" level.

To accomplish this, while complying with audit standards, the Board has adopted as part of their Net Asset Management Plan a Claims Deterioration Fund, an amount voluntarily designated by the Board as Net Assets to be deducted from Total Net Assets (referred to as Unrestricted Net Position on the financial statements) when determining Net Assets available for payment of dividends to members.

In 2013, the Board approved designating $430,000 into the Claim Deterioration Fund to assure these additional funds are available if the "expected" claim reserves are ultimately found to be inadequate to pay all liabilities of the Pool. The Board believes managing Net Assets in this manner protects members from large rate increases in the event claims experience does deteriorate. In 2020, the Board approved designating an additional $230,000 into the Claim Deterioration Fund. The balance in the Claims Deterioration Fund as of December 31, 2023 was $660,000.

Subsequent Events

Management of the Pool has evaluated subsequent events through the date of the audit report, which is also the date the financial statements were available to be issued.

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

Listed below is a summary of the cash and investment portfolios as of December 31, 2023. Investing is governed by the prudent man rule in accordance with statutes of the State of Utah. All investments of the Pool are considered to have been made in accordance with these governing statutes including the State Money Management Act.

Cash and Cash Equivalents

Cash and cash equivalents of the Pool are carried at cost. The carrying amount of the cash on deposit, net of outstanding checks, is $67,919 as of December 31, 2023. The corresponding bank balance of the deposits was $72,585 as of December 31, 2023.

All of the Pool's cash on deposit bank accounts are noninterest-bearing. All noninterest-bearing and other depositors' accounts will be aggregated and insured up to the standard maximum deposit insurance amount of $250,000 for each deposit insurance ownership category.

The Public Treasurers' Investment Fund (PTIF) is a pooled investment fund enabling public agencies to benefit from the higher yields offered on large denomination securities.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Cash and Cash Equivalents (continued)

The PTIF is similar in nature to a money market fund but the PTIF is subject to oversight by the State Money Management Council and all investments in PTIF are considered to be in compliance with the State Money Management Act.

The PTIF invests in corporate debt, U.S. Agency notes, certificates of deposit and commercial paper. The maximum final maturity of any security invested in by the PTIF is limited to five years.

The maximum weighted average life of the portfolio is limited to 90 days. There is no maturity date on an entity's investment in the PTIF. PTIF deposits are not insured or otherwise guaranteed by the State of Utah.

Zions Capital Advisors (ZCA) is an investment advisory firm certified by the State Money Management Council and all investments with ZCA are in compliance with the State Money Management Act. The maximum final maturity of any security invested in by ZCA is limited to three years. ZCA investments are not insured or otherwise guaranteed.

As of December 31, 2023, the Pool's cash and cash equivalents and investments included the following:

	2023	2022
Cash on deposit	$ 67,919	$ 54,554
Public Treasurers' Investment Fund	15,057,956	13,156,418
Zions Capital Advisors	1,871,387	159,850
Total cash and cash equivalents	16,997,263	13,370,822
Investments - debt securities	2,143,550	884,356
Equity in County Reinsurance Limited	2,970,278	2,515,498
Total investments	5,113,828	3,399,854
Total cash and cash equivalents and investments	$22,111,092	$16,770,676

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Pool's bank balances did not exceed FDIC coverage as of December 31, 2023.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments and Capital Contributions

The Pool records its investments in U.S. Government Securities at market value. The Pool records capital contributions to County Reinsurance Limited (CRL) using the equity method of accounting. Under the equity method, the Pool recognizes its proportionate share of the net earnings or losses of CRL, which represents its share of the undistributed earnings or losses of CRL. Equity in CRL is confirmed annually. All other investments are through the Public Treasurers' Investment Fund (PTIF).

As of December 31, 2023, the differences between book value and fair value, of the Pool's investments, are as follows:

	Cost	Fair Value Gains	Fair Value Losses	Fair Value	Statement Value
Securities	$ 3,511,447	$ 62,191	$ (22,896)	$ 3,550,742	$ 3,550,742
Equity	3,015,498	275,367	(320,587)	2,970,278	2,970,278
Total investments	$ 6,526,945	$ 337,558	$ (343,483)	$ 6,521,020	$ 6,521,020

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Pool's policy for managing interest rate risk is to comply with the State Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. The Pool manages its exposure to declines in fair value by investing in the Public Treasurers' Investment Fund (PTIF) and other securities and by adhering to the Act.

As of December 31, 2023, the Pool's term to maturity of investment are as follows:

		Investment Maturities (in years)	
Investment Type	**Carrying Amount and Fair Value**	**Less than 1**	**1-5**
Debt securities:			
Corporate bonds	$ 3,550,742	$ 1,407,192	$ 2,143,550
Mortgage backed securities	-	-	-
Total debt securities	3,550,742	1,407,192	2,143,550

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

As of December 31, 2023, the Pool's investments' fair value measurements are as:

	Total	Level 1	Level 2	Level 3
Asset class:				
Debt securities:				
Corporate bonds	$ 3,550,742	$ 3,550,742	$ -	$ -
Mortgage backed securities	-	-	-	-
Money market funds	464,196	-	464,196	-
Public Treasurers Investment Fund	15,057,956	-	15,057,956	-
Total	$ 19,072,894	$ 3,550,742	$ 15,522,153	$ -

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The Pool's policy for limiting the credit risk of investments is to comply with the State Money Management Act.

Investments are categorized into these three categories of credit risk:

Category One	Insured or registered, or securities held by the Pool or its agent in the Pool's name.
Category Two	Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Pool's name.
Category Three	Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, not in the Pool's name.

As of December 31, 2023, investments in debt securities in the amount of $2,143,550 are considered to be Category Three securities. As of December 31, 2023, Public Treasurers' Investment Fund (PTIF) investments, including cash held for reinvestment and equity in County Reinsurance Limited (CRL), in the total amount of $17,127,406, are uncategorized investments or equity. The amount of uncategorized PTIF investments, restricted by the Money Management Council's Rule Four of the Money Management Act, is $125,000.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 3 INVESTMENT INCOME AND EQUITY

As of December 31, 2023, investment income and equity of the Pool is comprised of the following:

	2023	2022
Investment income and equity:		
Bonds	$ 173,329	$ 73,618
Equity	454,780	(578,769)
Cash	842,143	234,080
Total investment income	$ 1,470,253	$ (271,071)
Cash received:		
Cash	$ 842,143	$ 234,080
Total cash received	842,143	234,080
Noncash adjustments:		
Equity	454,780	(578,769)
Bonds	39,295	(67,138)
Change in accrued interest	141,306	158,777
Amortization	(7,272)	(18,021)
Total noncash adjustments	628,109	(505,151)
Total investment income	$ 1,470,253	$ (271,071)

NOTE 4 INTEREST RATE

The interest rate for assets held with the Utah Public Treasurers' Investment Fund (PTIF) was 5.4761 percent as of December 31, 2023.

NOTE 5 CAPITAL ASSETS

The capital assets and related accumulated depreciation of the Pool are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets exempt from depreciation:				
Land	$ -	$ -	$ -	$ -
Total capital assets exempt from depreciation, net	-	-	-	-
Capital assets being depreciated:				
Office furniture and equipment	61,840	-	-	61,840
Total capital assets, being depreciated	61,840	-	-	61,840
Less accumulated depreciation for:				
Office furniture and equipment	(59,782)	(1,231)	-	(61,013)
Total accumulated depreciation	(59,782)	(1,231)	-	(61,013)
Total capital assets being depreciated, net	2,058	(1,231)	-	827
Total capital assets, net	$ 2,058	$ (1,231)	-	$ 827

NOTE 6 REINSURANCE

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

Effective 2003, the Pool has purchased only specific excess coverage. The agreement provides for liability insurance in excess of a $250,000 self-insured retention. The agreement provides for property in excess of a $250,000 self-insured retention as of the month ending June 2023. The property agreement was amended to an excess of a $500,000 self- insured retention beginning July 1, 2023. Crime insurance in excess of a $250,000 self-insured retention.

Estimated claims loss liabilities of the Pool are stated net of estimated losses applicable to reinsurance coverage ceded to other insurance companies of $2,896,559 as of December 31, 2023. However, the Pool is contingently liable for those amounts in the event such companies are unable to pay their portion of the claims.

Effective 2021, the Pool contributed $500,000 to take risk on a layer of property reinsurance at a level that should provide underwriting revenue while reducing reinsurance premiums. In 2022, the Pool contributed an additional $500,000. Underwriting revenue, for the layer of property reinsurance, increased $789,922 as of December 31, 2023.

Unsecured Reinsurance Recoverables

There are no letters of credit, trust agreements or funds withheld on reinsurance recoverables. The amount of $2,535,681, as of December 31, 2023, exceeds three percent of the Pool's surplus and is considered unsecured recoverables on known claims.

Reinsurance Recoverable in Dispute

As of December 31, 2023, the Pool does not have any disputed balances or uncollectible funds.

NOTE 7 RETIREMENT PLANS

Pension Plans

Plan Description. Eligible plan participants are provided with pensions through the Utah Retirement Systems. Utah Retirement Systems are comprised of the following Pension Trust Funds:

- Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees, beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

NOTE 7 RETIREMENT PLANS (CONTINUED)

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

Pension Plans (continued)

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature.

The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. Utah Retirement Systems is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

Utah Retirement Systems issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E 200 S, Salt Lake City, UT 84102 or visiting the website: www.urs.org/general/publications. **Benefits Provided**. Utah Retirement Systems provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percentage per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years, any age 25 years, any age* 20 years, age 60* 10 years, age 62* 4 years, age 65	2.0% per year all years	Up to 4.0%
Tier 2 Public Employees System	Highest 5 years	35 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year all years	Up to 2.5%

* Actuarial reductions are applied.
** All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contribution Rate Summary. As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2023 are as follows:

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

Pension Plans (continued)

	Employee	Employer	Employer 401(k)
Contributory System			
111 Local Governmental Division Tier 2	N/A	16.01	0.18
Noncontributory System			
15 Local Governmental Division Tier 1	N/A	17.97	N/A
Tier 2 DC Only			
211 Local Governments	N/A	6.19	10.00

Tier 2 rates include a statutory requied contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

For fiscal year ended December 31, 2023, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 100,727	$ -
Tier 2 Public Employees System	11,937	-
Tier 2 DC Only System	4,300	-
Total Contributions	$ 116,964	$ -

Contributions reported are the Utah Retirement Systems Board-approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

Combined Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to Pensions.

As of December 31, 2023, the Utah Counties Indemnity Pool reports a net pension asset of $0 and a net pension liability of $78,229.

	(Measurement Date): December 31, 2022				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2021	Change (Decrease)
Noncontributory System	$ -	$ 77,665	0.0453451%	0.0462251%	(0.0008800)%
Tier 2 Public Employees System	$ -	$ 564	0.0005178%	0.0023995%	(0.0018817)%
	$ -	$ 78,229			

The net pension asset and liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2023, the Pool recognized pension expense of $42,688.

NOTE 7 RETIREMENT PLANS (CONTINUED)

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

Pension Plans (continued)

At December 31, 2023, the Pool reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

		Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	$	26,533	$	22
Changes in assumptions	$	12,911	$	311
Net difference between projected and actual earnings on pension plan investments	$	51,455	$	-
Changes in proportion and differences between contributions and proportionate share of contributions	$	2,360	$	423
Contributions subsequent to the measurement date	$	116,964	$	-
	$	210,223	$	756

$116,964 reported as deferred outflows of resources related to pensions results from contributions made by the Pool prior to fiscal year end, but subsequent to the measurement date of December 31, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

Year Ended December 31,		Net Deferred Outflows (Inflows) of Resources
2023	$	(9,700)
2024	$	2,343
2025	$	20,718
2026	$	78,907
2027	$	71
Thereafter	$	164

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources.

For the year ended December 31, 2023, the Pool recognized pension expense of $41,572.

At December 31, 2023, the Pool reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following:

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

Pension Plans (continued)

		Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	$	26,343	$	-
Changes in assumptions	$	12,728	$	310
Net difference between projected and actual earnings on pension plan investments	$	51,228	$	-
Changes in proportion and differences between contributions and proportionate share of contributions	$	1,930	$	198
Contributions subsequent to the measurement date	$	100,727	$	-
	$	192,956	$	508

$101,727 reported as deferred outflows of resources related to pensions results from contributions made by the Pool prior to fiscal year end, but subsequent to the measurement date of December 31, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

Year Ended December 31,		Net Deferred Outflows (Inflows) of Resources
2023	$	(9,766)
2024	$	2,240
2025	$	20,576
2026	$	78,671
2027	$	-
Thereafter	$	-

Tier 2 Public Employees System Pension Expense and Deferred Outflows and Inflows of Resources.

For the year ended December 31, 2023, the Pool recognized pension expense of $1,115.

As of December 31, 2023, the Pool reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following:

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

Pension Plans (continued)

		Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	$	190	$	22
Changes in assumptions	$	183	$	1
Net difference between projected and actual earnings on pension plan investments	$	227	$	-
Changes in proportion and differences between contributions and proportionate share of contributions	$	430	$	225
Contributions subsequent to the measurement date	$	16,237	$	-
	$	17,267	$	248

$16,237 reported as deferred outflows of resources related to pensions results from contributions made by the Pool prior to fiscal year end, but subsequent to the measurement date of December 31, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

Year Ended December 31,		Net Deferred Outflows (Inflows) of Resources
2023	$	66
2024	$	102
2025	$	142
2026	$	236
2027	$	71
Thereafter	$	164

Actuarial Assumptions. The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.50 percent
Salary increases:	3.25 - 9.25 percent, average, including inflation
Investment rate of return:	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from actuarial experience study dated January 1, 2020. The retired mortality tables are developed using Utah Retirement Systems retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers and public safety members, respectively.

The actuarial assumptions used in the January 1, 2022, valuation were based on an experience study of the demographic assumptions as of January 1, 2020, and a review of economic assumptions as of January 1, 2021.

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 7 RETIREMENT PLANS (CONTINUED)

Pension Plans (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Expected Return Arithmetic Basis		
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long Term Expected Portfolio Real Rate of Return
Equity securities	35.00%	6.58%	2.30%
Debt securities	20.00%	1.08%	0.22%
Real assets	18.00%	5.72%	1.03%
Private equity	12.00%	9.80%	1.18%
Absolute return	15.00%	2.91%	0.44%
Cash and equivalents	0.00%	(0.11)%	0.00%
Totals	100.00%		5.17%
	Inflation		2.50%
	Expected arithmetic nominal return		7.67%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount Rate. The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the Utah Retirement Systems Board.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments, to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 7 RETIREMENT PLANS (CONTINUED)

Pension Plans (continued)

that is one percentage point lower (5.85 percent) or one percentage point higher (7.85 percent) than the current rate:

System	1% Decrease or 5.85%	Discount Rate of 6.85%	1% Increase or 7.85%
Noncontributory System	$ 489,469	77,665	(266,420)
Tier 2 Public Employees System	$ 2,464	564	(900)
Total	$ 491,933	78,229	(267,320)

Defined Contribution Savings Plans. The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued Utah Retirement Systems financial report.

UTAH COUNTIES INDEMNITY POOL participates in the following Defined Contribution Savings Plans with Utah Retirement

- 401(k) Plan
- 457(b) Plan
- Roth IRA Plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for the fiscal year ended December 31, were as follows:

	2023	2022	2021
401(k) Plan			
Employer Contributions	$ 22,501	$ 15,537	$ 15,720
Employee Contributions	$ 60,042	$ 50,714	$ 24,375
457 Plan			
Employer Contributions	$ -	$ -	$ -
Employee Contributions	$ 300	$ -	$ -
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 300	$ -	$ -

Employer Participating Retirement Plans

The Pool contributes an amount equal to the amount contributed by the employee into participating retirement plans, not to exceed five percent of the employee's eligible salary

UTAH COUNTIES INDEMNITY POOL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 8 RETIREMENT PLANS (CONTINUED)

Employer Participating Retirement Plans (continued)

and wages. Administered by the Utah Retirement Systems, the total retirement expense for the 401(k) plan for the Pool as of December 31, 2023, 2022, and 2021 was $15,420, $15,537, and $15,720. Administered by the Nationwide Retirement Solutions, the total retirement expense for the 457(b) plan for the Pool as of December 31, 2023, 2022, and 2021 was $17,825, $15,968, and $15,207.

NOTE 8 UNPAID CLAIMS, LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves for incurred losses and loss adjustment expenses attributable to covered events of prior years has increased by $1,621,587 in 2023 as a result of re-estimation of unpaid losses and loss adjustment expenses.

This change is the result of ongoing analysis of recent loss development trends. Original estimates change as additional information becomes known regarding individual claims.

As of December 31, 2023, unpaid claims, losses and loss adjustment expenses of the Pool are as follows:

	2023
Beginning balance	$ 8,252,577
Incurred loss:	
Current year	4,493,798
Prior years	(31,143)
Change in total incurred	4,462,655
Paid:	
Current year	$1,138,981
Prior years	1,702,087
Total paid	2,841,068
Balance at December 31	$ 9,874,164

NOTE 9 CONTINGENCIES

The Pool is subject to litigation from the settlement of claims contested in the normal course of business. The losses from the actual settlement of such unknown claims are taken into consideration in the computation of the estimated unpaid loss and loss adjustment expense liabilities.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

UTAH COUNTIES INDEMNITY POOL
Schedule of Ten-Year Claims Development Information
For the Year Ended December 31, 2023

The following table illustrates how the Pool's earned revenue (net of reinsurance) and investment income compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the Pool as of the end of each of the past ten years. The rows of the table are defined as follows: (1) This line shows each fiscal year's net earned premiums, other operating revenues and interest income. (2) This line shows each year's other operating expenses including overhead and loss adjustment expenses not allocable to specific claims. (3) This line shows incurred losses and allocated loss adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred. (4) This section of ten rows shows the cumulative amounts paid as of the end of successive years for each policy year. (5) This section of ten rows shows how each policy year's net incurred claims increased or decreased as of the end of the successive years: this annual estimation results from new information received on known claims, reevaluation of existing information on known claims, and emergence of new claims not previously known. (6) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and show whether this latest estimate of net claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts commonly is used to evaluate the accuracy of net incurred claims currently recognized in less mature policy years. The columns of the table show data for successive policy years.

	Fiscal and Policy Year Ended (in Thousands of Dollars)										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(1) Earned premiums, other operating revenues and investment revenues, net of reinsurance	3,538	3,717	3,789	4,584	4,804	4,807	5,406	5,181	5,253	5,782	6,987
(2) Unallocated expense	-	-	-	-	-	-	-	-	-		
(3) Estimated incurred claims and expenses, end of policy year:	3,152	3,666	3,066	3,273	3,554	3,337	3,608	4,517	3,116	3,335	4,494
(4) Net paid (cumulative) as of:											
End of policy year	586	1,344	894	833	793	910	824	1,149	685	831	1,139
One year later	1,377	1,549	1,017	1,045	1,291	1,215	1,697	2,190	903	1,369	
Two years later	1,869	1,830	1,125	1,336	1,678	1,321	1,965	2,620	1,187	-	
Three years later	2,386	2,103	1,275	1,756	2,427	1,686	2,327	3,061	-	-	
Four years later	2,573	2,377	1,443	1,972	2,618	1,878	2,506	-	-	-	
Five years later	2,600	2,698	1,676	2,039	2,704	2,002	-	-	-	-	
Six years later	2,611	2,845	1,682	2,076	2,792	-	-	-	-	-	
Seven years later	2,612	2,901	1,701	2,090	-	-	-	-	-	-	
Eight years later	2,612	2,902	1,734	-	-	-	-	-	-	-	
Nine years later	2,615	2,902	-	-	-	-	-	-	-	-	
Ten years later	2,615	-	-	-	-	-	-	-	-	-	
(5) Reestimated net incurred claims and expenses:											
End of policy year	3,152	3,666	3,066	3,273	3,554	3,337	3,608	4,517	3,116	3,335	4,494
One year later	3,907	3,627	2,781	4,002	4,050	2,983	3,824	5,073	2,539	3,194	
Two years later	3,515	3,565	2,200	3,619	3,669	2,456	3,945	4,282	2,249	-	
Three years later	3,169	3,109	1,775	2,788	3,588	2,424	3,393	4,555	-	-	
Four years later	3,007	3,020	1,778	2,307	3,290	2,459	3,425	-	-	-	
Five years later	2,742	3,206	1,762	2,276	3,212	2,435	-	-	-	-	
Six years later	2,664	3,080	1,749	2,076	3,153	-	-	-	-	-	
Seven years later	2,631	3,029	1,743	2,223	-	-	-	-	-	-	
Eight years later	2,620	3,010	1,757	-	-	-	-	-	-	-	
Nine years later	2,620	3,014	-	-	-	-	-	-	-	-	
Ten years later	2,620	-	-	-	-	-	-	-	-	-	
(6) Increase (decrease) in estimated net incurred claims and expenses from end of policy year	(532)	(652)	(1,309)	(1,050)	(401)	(902)	(183)	38	(867)	(141)	-

See Independent Auditor's Report

UTAH COUNTIES INDEMNITY POOL

Schedule of the Proportionate Share of the Net Pension Liability
(Utah Retirement Systems)

Measurement Date of December 31, 2022
For the Year Ended December 31, 2023
Last 10 Fiscal Years*

Schedule of the Proportionate Share of the Net Pension Liability

	2023 Noncontributory Retirement System	2023 Tier 2 Public Employees Retirement System	2022 Noncontributory Retirement System	2022 Tier 2 Public Employees Retirement System	2021 Noncontributory Retirement System	2021 Tier 2 Public Employees Retirement System	2020 Noncontributory Retirement System	2020 Tier 2 Public Employees Retirement System	2019 Noncontributory Retirement System	2019 Tier 2 Public Employees Retirement System
Proportion of the net pension liability/(asset)	0.0453451%	0.0005178%	0.0462251%	0.0023995%	0.0452032%	0.0029427%	0.0432814%	0.0031062%	0.0413459%	0.0032592%
Proportionate share of the net pension liability/(asset)	$77,665	$564	$ (264,736)	$ (1,016)	$ 23,187	$ 423	$ 163,122	$ 699	$ 304,460	$ 1,396
Covered payroll	$465,903	$11,571	$ 435,731	$ 44,610	$ 413,670	$ 47,055	$ 388,378	$ 43,178	$ 3,660,584	$ 37,995
Proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	16.67%	4.87%	(60.76)%	(2.28)%	5.61%	90.00%	42.00%	1.62%	84.44%	3.67%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	97.5%	92.3%	108.70%	103.80%	99.20%	98.30%	93.70%	96.50%	87.00%	90.80%

	2018 Noncontributory Retirement System	2018 Tier 2 Public Employees Retirement System	2017 Noncontributory Retirement System	2017 Tier 2 Public Employees Retirement System	2016 Noncontributory Retirement System	2016 Tier 2 Public Employees Retirement System	2015 Noncontributory Retirement System	2015 Tier 2 Public Employees Retirement System
Proportion of the net pension liability/(asset)	0.0387967%	0.0032876%	0.0393979%	0.0044177%	0.04240778%	0.0037343%	0.0412802%	0.0039098%
Proportionate share of the net pension liability/(asset)	$ 169,980	$ 290	$ 252,983	$ 493	$ 239,964	$ (8)	$ 179,248	$ (8)
Covered payroll	$ 342,770	$ 32,392	$ 351,178	$ 36,228	$ 369,111	$ 24,123	$ 355,770	24123
Proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	49.59%	0.90%	72.04%	1.36%	65.01%	-0.03%	50.40%	-0.60%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	91.90%	97.40%	87.30%	95.10%	87.80%	100.20%	90.20%	103.50%

*In accordance with paragraph 81a of GASB Statement No. 68, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset). The Pool's 10-year schedule will be built prospectively. The schedule above is for the past nine years.

UTAH COUNTIES INDEMNITY POOL
Schedule of Contributions
(Utah Retirement Systems)
For the Year Ended December 31, 2023
Last 10 Fiscal Years**

	As of Fiscal year ended December 31,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
Noncontributory System	2015	$ 68,175	$ 38,175	$ -	$ 388,378	18.47%
	2016	64,862	64,862	-	351,178	18.47%
	2017	63,310	63,310	-	342,770	18.47%
	2018	66,600	66,600	-	360,584	18.47%
	2019	71,733	71,733	-	388,378	18.47%
	2020	76,405	76,405	-	413,670	18.47%
	2021	80,479	80,479	-	435,731	18.47%
	2022	84,808	84,808	-	465,903	18.20%
	2023	100,727	100,727	-	560,529	17.97%
Tier 2 Public Employees System*	2015	$ 3,600	$ 3,600	$ -	$ 24,123	14.92%
	2016	5,402	5,402	-	36,228	14.91%
	2017	4,846	4,846	-	32,392	14.96%
	2018	5,832	5,832	-	37,995	15.35%
	2019	6,736	6,736	-	43,178	15.60%
	2020	7,402	7,402	-	47,055	15.73%
	2021	7,105	7,105	-	44,610	15.93%
	2022	1,859	1,859	-	11,571	16.07%
	2023	11,937	11,937	-	74,558	16.01%
Tier 2 Public Employees DC Only System*	2015	$ 1,071	$ 1,071	$ -	$ 16,010	6.69%
	2016	3,297	3,297	-	49,281	6.69%
	2017	1,071	1,071	-	16,010	6.69%
	2018	3,297	3,297	-	49,281	6.69%
	2019	3,434	3,434	-	51,325	6.69%
	2020	3,528	3,528	-	52,738	6.69%
	2021	3,587	3,587	-	53,620	6.69%
	2022	3,864	3,864	-	60,094	6.43%
	2023	4,300	4,300	-	69,471	6.19%

* Contributions in Tier2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created July 1, 2011.

** Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered payroll may be different that the board certified rate due to rounding and other administrative practices. The Pool's schedule will be built prospectively. The above schedule is for the prior 9 years.

UTAH COUNTIES INDEMNITY POOL

Notes to the Required Supplementary Information
(Utah Retirement Systems)
For the Year Ended December 31, 2023

Changes in Assumptions:

No changes were made in actuarial assumptions from the prior year's valuation related to the Utah Retirement Systems

OTHER REPORTS

Larson
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

The Board of Directors
Utah Counties Indemnity Pool
Murray, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Utah Counties Indemnity Pool (UCIP), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the UCIP's basic financial statements, and have issued our report thereon dated April 15, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered UCIP's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UCIP's internal control. Accordingly, we do not express an opinion on the effectiveness of UCIP's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether UCIP's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Larson & Company
1606 Spanish Fork Parkway, Suite 200
Spanish Fork, UT 84660
Main: (801) 798-3545 | www.larsco.com

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of UCIP's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LARSON & COMPANY, PC

Larson & Company, PC
Spanish Fork, Utah

April 15, 2024

Larson
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report on Compliance and Report on Internal Control Over Compliance as Required by the *State Compliance Audit Guide*

The Board of Directors
Utah Counties Indemnity Pool
Murray, Utah

Report on Compliance

We have audited Utah Counties Indemnity Pool's (UCIP) compliance with the applicable general state program compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor that could have a direct and material effect on UCIP for the year ended December 31, 2023.

General state compliance requirements were tested for the year ended December 31, 2023 in the following areas:

Budgetary Compliance
Fund Balance
Fraud Risk Assessment

Opinion on Compliance

In our opinion, Utah Counties Indemnity Pool complied, in all material respects, with the compliance requirements referred to above for the year ended December 31, 2023.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of American (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Audit Standards); and the *State Compliance Audit Guide* (Guide). Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the UCIP and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of UCIP's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to UCIP's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on UCIP's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about UCIP's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Utah Counties Indemnity Pool's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Utah Counties Indemnity Pool's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Compliance Audit Guide but not for the purpose of expressing an opinion on the effectiveness of Utah Counties Indemnity Pool's internal control over compliance. Accordingly, no such opinion is expressed.

Report on Internal Control Over Compliance

Management of UCIP is responsible for establishing and maintaining effective internal controls over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered UCIP's internal control over compliance with the compliance requirements that could have a direct and material effect on UCIP to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with general state compliance requirements and to test and report on internal control over compliance in accordance with *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of UCIP's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a general state compliance requirement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a general state compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a general state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Larson & Company, PC

Larson & Company, PC
Spanish Fork, Utah

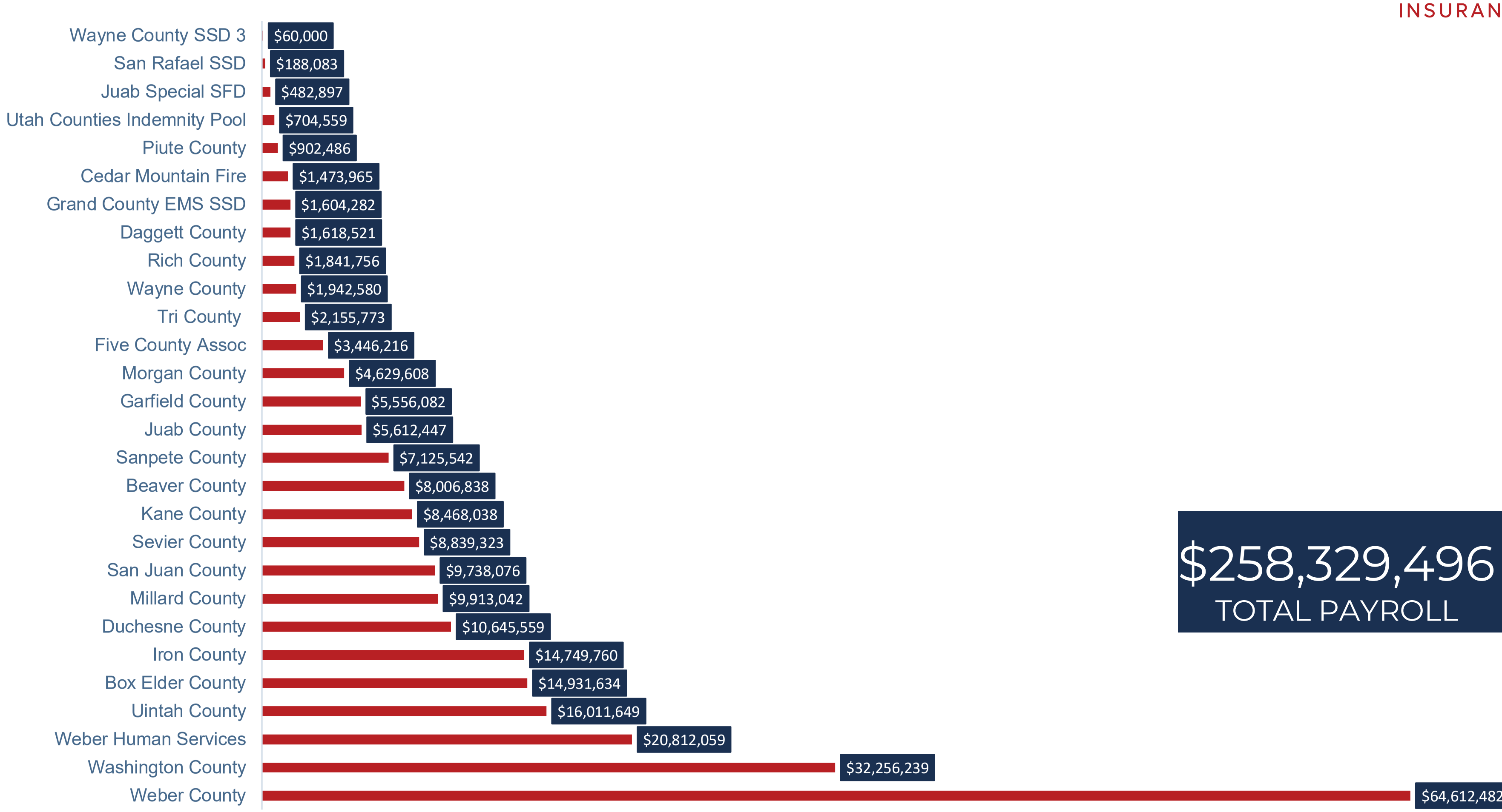
April 15, 2024

WCF INSURANCE

UTAH COUNTIES INDEMNITY POOL

2023 PREMIUM AUDIT REPORT

AUDITED PAYROLL BY COUNTY

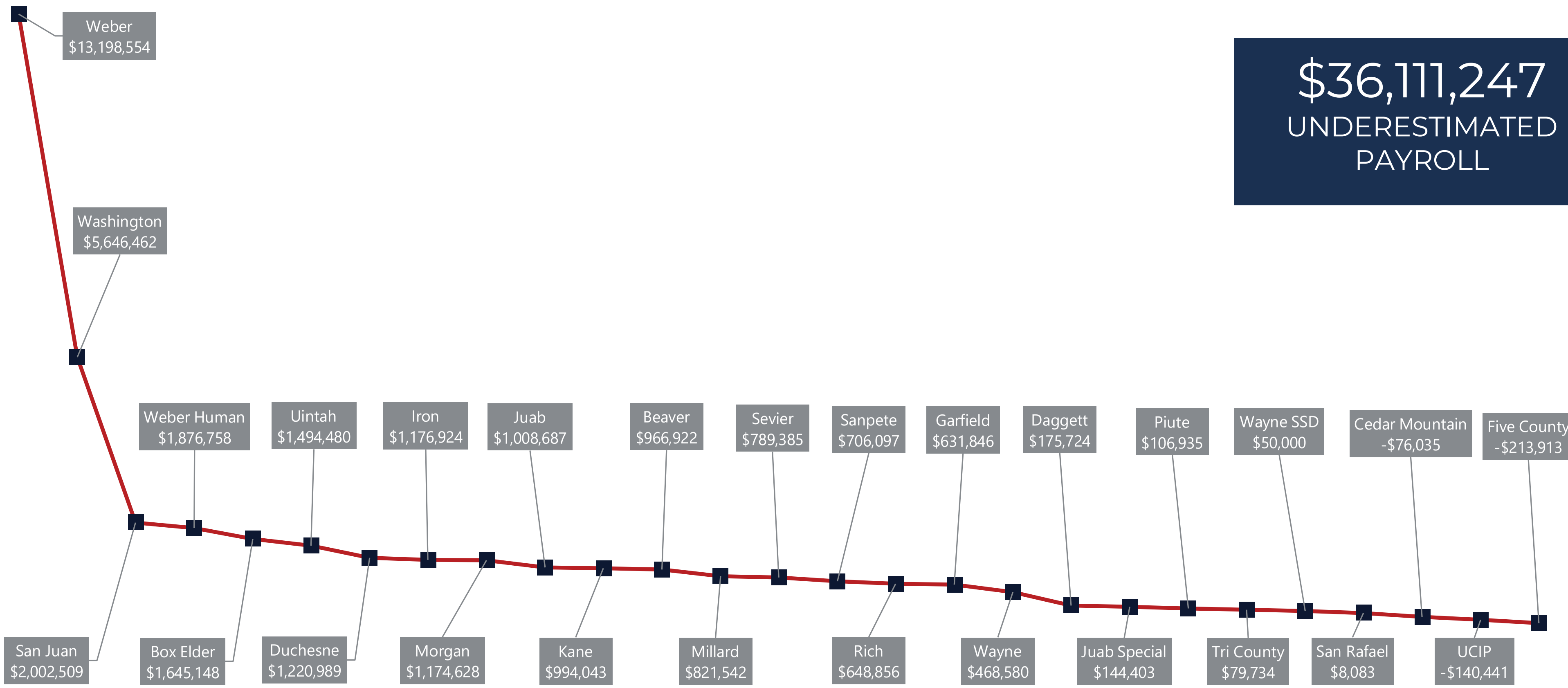


$258,329,496
TOTAL PAYROLL

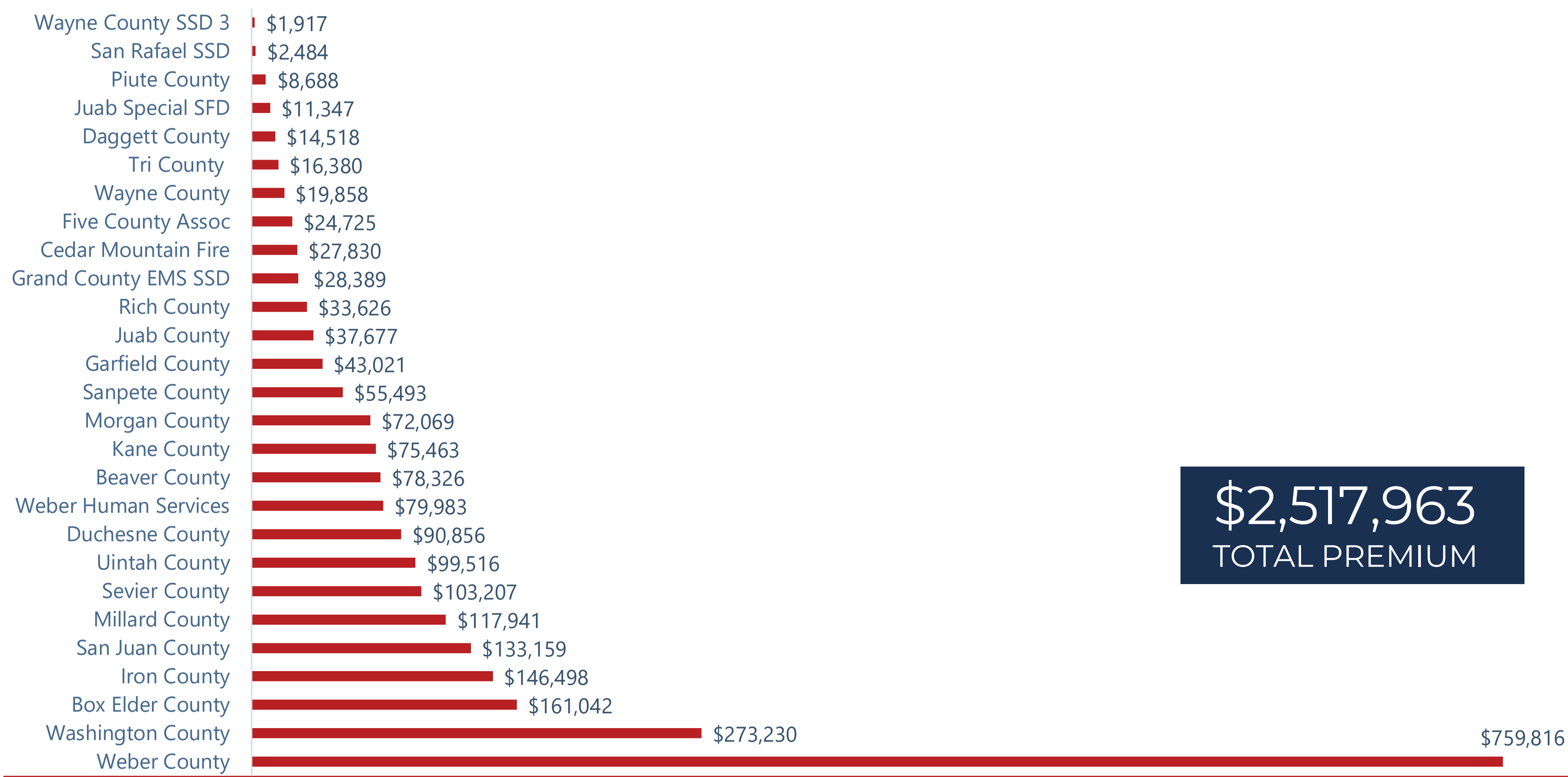
PAYROLL CHANGE BY COUNTY (ESTIMATE TO ACTUAL)

WCF INSURANCE

$36,111,247
UNDERESTIMATED PAYROLL

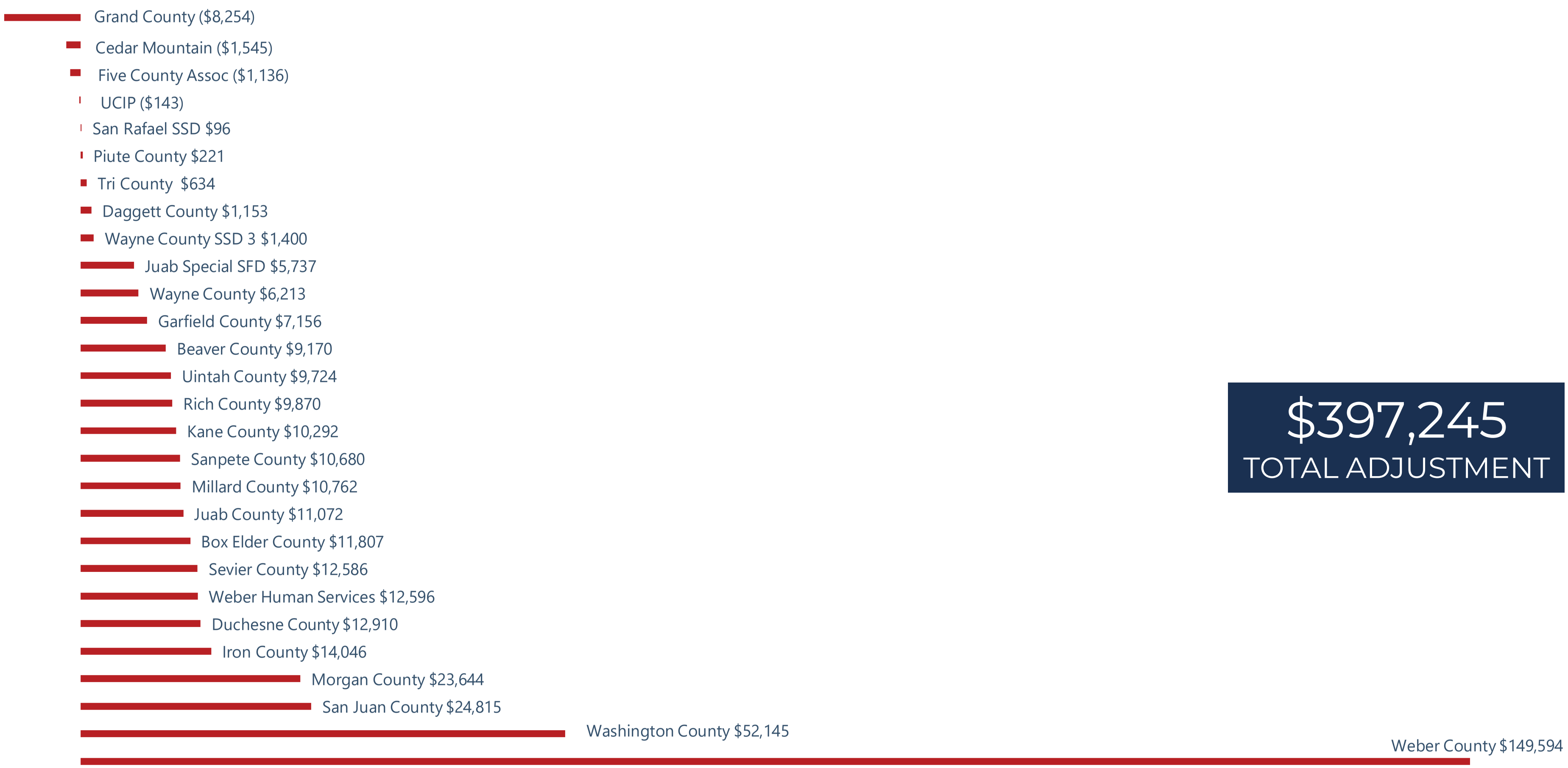


AUDITED PREMIUM BY COUNTY



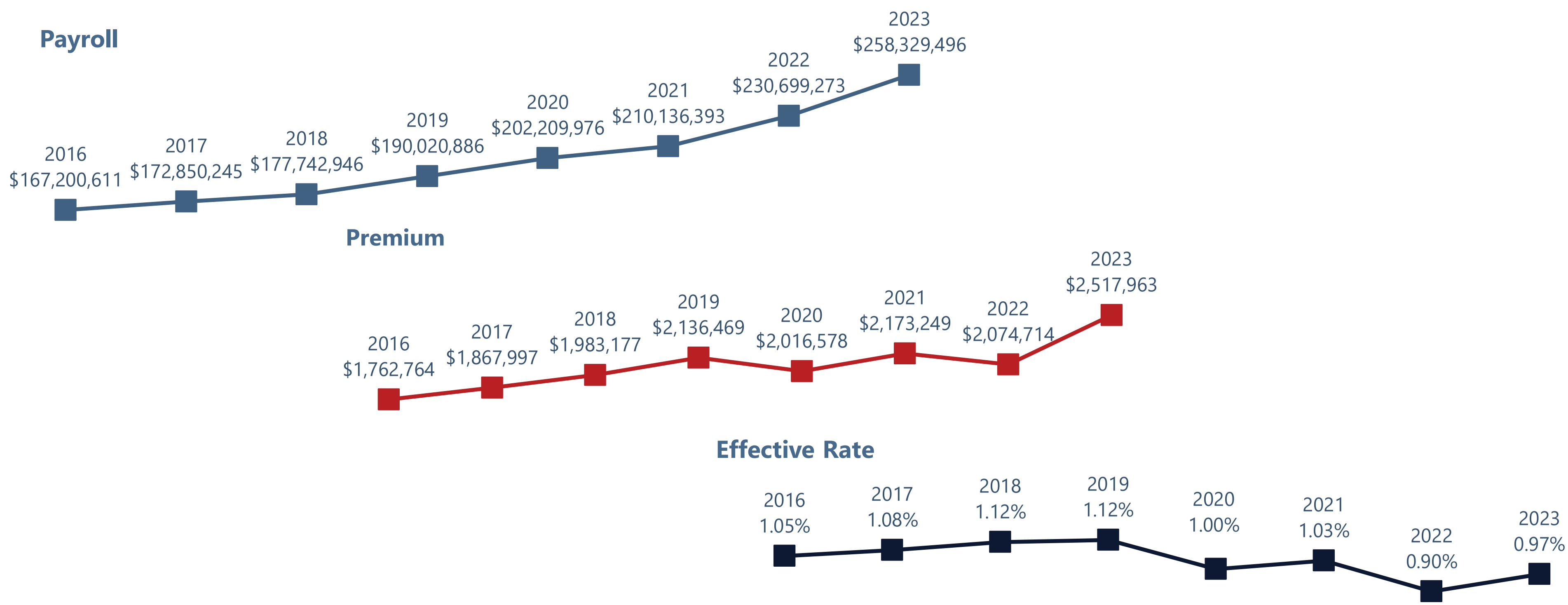
$2,517,963
TOTAL PREMIUM

PREMIUM ADJUSTMENT BY COUNTY



$397,245
TOTAL ADJUSTMENT

PREMIUM AND PAYROLL BY YEAR



SUMMARY

WCF INSURANCE

- Final audited payroll is $258 million, up about 11.9% from last year.
- Overall, payroll was underestimated by about $36.1 million.
- Final audited premium is $2,517,963.
- The audit adjustment is $397,245.
- Audited payroll by class code was confirmed by all counties.

2023 WCF AUDIT AND ADJUSTMENTS

Policy Number	Member	Invoiced Amount	Audited Premium	Adjustment
1636903	Beaver	69,156	78,326	9,170
1636916	Box Elder	149,235	161,042	11,807
1636961	Daggett	13,365	14,518	1,153
1147164	Duchesne	77,946	90,856	12,910
1637029	Garfield	35,865	43,021	7,156
1637032	Iron	132,452	146,498	14,046
1637045	Juab	26,605	37,677	11,072
1638174	Kane	65,171	75,463	10,292
2118987	Millard	107,179	117,941	10,762
1637061	Morgan	48,425	72,069	23,644
1637074	Piute	8,467	8,688	221
1637090	Rich	23,756	33,626	9,870
1637133	San Juan	108,344	133,159	24,815
1637117	Sanpete	44,813	55,493	10,680
1637104	Sevier	90,621	103,207	12,586
1637191	Uintah	89,792	99,516	9,724
1637234	Washington	221,085	273,230	52,145
1637247	Wayne	13,645	19,858	6,213
2053567	Weber	610,222	759,816	149,594
1147164	FCAOG	25,861	24,725	(1,136)
4005014	JFD	5,610	11,347	5,737
4032064	TCHD	15,746	16,380	634
2440767	UCIP	1,047	904	(143)
4008989	WSSD3	517	1,917	1,400
4050936	SRSSD	2,388	2,484	96
4053120	CMFPD	29,375	27,830	(1,545)
4012479	GEMS	36,643	28,389	(8,254)
1809439	WHS	67,387	79,983	12,596

INVOICED TOTAL	$	2,120,718
AUDITED PREMIUM TOTAL	$	2,517,963
ADJUSTMENT TOTAL	$	397,245

Utah Counties Indemnity Pool

FINANCIAL STATEMENTS

Quarter Ending March 31, 2024

Utah Counties Indemnity Pool

First Quarter 2024 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 March 31, 2024 to the basic financial statements.

Danielle Davis
Accounting Specialist
801-307-2113
ddavis@ucip.utah.gov

Reviewed this _______ day of _____________, 2024

By: ____

UTAH COUNTIES INDEMNITY POOL

STATEMENT of NET POSITION

For the Quarter Ended March 31, 2024

	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 22,692,241	$ 15,590,071	19,448,993
Short-term investments	1,299,989	1,407,192	1,346,925
Accounts receivable	6,430	6,715	(177)
Prepaid expenses	2,101,210	874,204	1,534,645
Net pension asset	-	-	265,752
TOTAL CURRENT ASSETS	26,099,870	17,878,181	22,596,138
LONG TERM INVESTMENTS	1,701,503	2,143,550	2,221,355
CAPITAL CONTRIBUTIONS	2,970,278	2,970,278	2,515,498
PROPERTY AND EQUIPMENT	519	827	1,751
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	210,223	210,223	152,113
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 30,982,393	$ 23,203,059	$ 27,486,855
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Reserves for losses and loss adjustment expenses	$ 9,874,164	$ 9,874,164	$ 8,252,577
Accrued expenses	164,610	338,014	170,723
Contributions paid in advance	7,914,199	882,631	6,795,974
TOTAL CURRENT LIABILITIES	17,952,973	11,094,809	15,219,275
NONCURRENT LIABILITIES			
Net pension liability	78,229	78,229	-
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	756	756	360,855
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	18,031,958	11,173,794	15,580,130
NET POSITION			
Net investment in capital assets	827	529,241	529,241
Unrestricted	12,949,608	11,500,025	11,377,484
TOTAL NET POSITION	12,950,435	12,029,265	11,906,725
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 30,982,393	$ 23,203,059	$ 27,486,855

UTAH COUNTIES INDEMNITY POOL

STATEMENTS of REVENUES, EXPENSES, and CHANGES in NET POSITION

Quarter Ended March 31, 2024

	Mar 31, 2024	Budget	Over Budget	% of Budget
OPERATING INCOME				
Contributions	$ 2,643,647	10,548,979	(7,905,332)	25%
Investment Income	312,621	-	312,621	
Other Income	181	-	181	
TOTAL OPERATING INCOME	2,956,449	10,548,979	(7,592,530)	28%
UNDERWRITING EXPENSES				
Losses and Loss Adjustment Expenses	782,150	4,750,000	(3,967,850)	16%
Reinsurance Coverage	945,515	4,175,000	(3,229,485)	23%
TOTAL UNDERWRITING EXPENSES	1,727,665	8,925,000	(7,197,335)	19%
ADMINISTRATION EXPENSES				
Directors	1,340	55,000	(53,660)	2%
Depreciation	308	1,000	(692)	31%
Risk Management	7,683	80,000	(72,317)	10%
Public Relations	619	45,000	(44,381)	1%
Office	18,760	120,000	(101,240)	16%
Financial/ Professional Services	8,374	135,000	(126,626)	6%
Personnel	271,515	900,000	(628,485)	30%
TOTAL ADMINISTRATION EXPENSES	308,600	1,336,000	(1,027,400)	23%
TOTAL OPERATING EXPENSES	2,036,265			
NET OPERATING INCOME	920,184			
OTHER INCOME (EXPENSES)				
Change in Fair Value Investments	986			
Change in Fair Value Equity	-			
TOTAL OTHER EXPENSES	986			
CHANGE IN NET POSITION	921,170			
NET POSITION AT BEGINNING OF YEAR	12,029,265			
NET POSITION AT END OF QUARTER	$ 12,950,435			

UTAH COUNTIES INDEMNITY POOL
STATEMENT of CASH FLOWS
For the Quarter Ended March 31, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Contributions collected	$ 9,674,930	$ 9,387,819
Other fees collected	181	8,767
Reinsurance paid	(2,172,521)	(3,400,033)
Losses and loss expenses paid	(782,150)	(3,768,977)
Cash paid to employees	(444,919)	(853,656)
Other administrative expenses paid	(36,776)	(294,483)
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	6,238,745	1,079,212
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	549,819	551,725
Sale of investments	-	-
Investment income	313,607	600,015
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	863,425	1,139,812
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,102,170	2,219,249
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	15,590,071	13,370,822
CASH AND CASH EQUIVALENTS AT END OF QUARTER	$ 22,692,241	$ 15,590,071
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Change in net position	$ 921,170	$ 336,281
Adjustments to reconcile change in net position to net cash flows used by operating activities		
Depreciation	308	1,231
Interest on investments	(313,607)	(1,015,500)
Net outflows of resources relating to pension	-	(74,228)
Accounts receivable	(285)	5,965
Prepaid expenses	(1,227,006)	301,721
Reserves for loss and loss adjustment expenses	-	1,621,587
Accrued expenses	(173,403)	185,268
Contributions paid in advance	7,031,568	320,555
Total adjustments	5,317,575	743,158
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 6,238,745	$ 1,079,437

Utah Retirement Systems

Final Condensed Retirement Contribution Rates as a Percentage of Salary and Wages

Fiscal Year July 1, 2024 - June 30, 2025

	Tier 1 DB System – Contribution Reporting Fields Tier 1 2024-2025 RATES			Tier 1 Post Retired		Tier 2 - DB Hybrid System	Contribution Reporting Fields Tier 2 2024-2025 RATES				Tier 2 - DC Plan	Contribution Reporting Fields Tier 2 2024-2025 RATES			
	Employee	Employer	TOTAL	Post Retired Employment after 6/30/2010 - NO 401(k) Amortization of UAAL**	Post Retired Employment before 7/1/2010 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
PROCUREMENT POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The Board originally adopted the Purchasing Policy on August 18, 2016.

2. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing the purchasing practices of interlocal agencies are amended in a manner which would require review and update to this policy.

3. 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.

4. 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 policy of the Board related to purchases made using UCIP funds.

2. The underlying purposes of this policy are to:

a. Ensure fair and equitable treatment of all persons who wish to or do conduct business with UCIP.

b. Provide for the greatest possible economy in UCIP's procurement activities.

c. Foster effective, broad-based competition within the free enterprise system to ensure that UCIP will receive the best possible services or products at the lowest possible prices.

d. Provide for the accountability and ethical disposal of UCIP purchased property and equipment.

SECTION C AUTHORITY

1. The Board has the authority to adopt and amend this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy applies to all purchases made using UCIP funds.

2. This policy shall not prevent UCIP from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law.

3. When procurement involves the expenditure of federal assistance funds, UCIP shall comply with applicable federal law and regulations.

SECTION E DEFINITIONS

1. Board: the UCIP Board of Directors.

2. Business: any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

3. CEO: the UCIP Chief Executive Officer.

4. Contract: any agreement entered into by UCIP for the procurement or disposal of supplies, services, or construction, but shall not mean any policy of insurance, excess insurance or reinsurance, bond, surety or other risk financing instrument.

5. Evaluation Committee: the President, Vice-President and Secretary/Treasurer of the Board and the Procurement Officer.

6. Invitation to Bid: all documents, whether attached or incorporated by reference, used for soliciting bids.

7. Person: any business, individual, union, committee, club, other organization, or group of individuals.

8. Professional Services: labor, effort or work that requires an elevated degree of specialized knowledge and discretion, including accounting, architecture, construction and design management, engineering, financial services, information technology, insurance brokerage, legal, medical, or underwriting.

9. Procurement: buying, purchasing, renting, leasing, leasing with an option to purchase, or otherwise acquiring any supplies, services, or construction.

10. Procurement Officer: the CEO or other person duly authorized by the Board to enter into and administer contracts and make written determinations with respect thereto.

11. Purchase Description: the words used in a solicitation to describe the supplies, services, or construction to be purchased, and includes specifications attached to or made a part of the solicitation.

12. Request for Proposals or RFP: all documents, whether attached or incorporated by reference, used for soliciting proposals.

13. Request for Qualifications or RFQ: a document used to solicit information about the qualifications of a person interested in providing services including all other documents attached to that document or incorporated in that document by reference.

SECTION F POLICY STATEMENTS

1. All purchases and procurements shall be made in a manner providing UCIP the most advantageous terms, conditions, cost and quality of products or services.

2. Purchases and procurements shall be conducted under the procedures outlined in this policy in a fair and equitable manner.

3. UCIP surplus property, equipment and/or supplies shall be disposed of in an efficient and effective method.

4. Acceptance of bribes, gifts or other favors from a vendor in exchange for favorable treatment on a procurement is prohibited by the Board.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. The CEO shall act in the capacity of Procurement Officer. The Procurement Officer shall be responsible to oversee procurements, solicit bids and proposals, enter into and administer contracts, and make written determinations under this policy. The Procurement Officer may delegate purchasing authority at their discretion.

2. The following purchases shall not require use of a bidding process:

a. Purchases costing less than $10,000 in total shall not require bids of any type;

b. Purchases costing more than $10,000 but less than $25,000 in total, shall require at least three telephone bids, but shall not require any other type of bid;

c. Purchases under paragraphs a. and b. shall not be artificially divided so as to constitute a small purchase. The total value of contract over the entire period determines the procurement threshold under paragraphs a. and b.;

d. Purchases made through the cooperative purchasing contracts administered by the State Division of Purchasing or another government approved contract that results from a competitive process;

e. Purchases made from a single-source provider as determined by the Procurement Officer;

f. Purchase of professional services, if the Procurement Officer opines in writing to the Board that the services are of a professional nature;

g. Purchase of services if the Procurement Officer opines in writing to the Board that the services are of such a nature, or require being provided in such a nature, as to be best provided by a specific source;

h. Purchases required during an emergency, i.e., an eminent threat to the public's health, welfare or safety. However, as much competition as practical should be obtained and such purchases should be limited to amounts necessary to the resolution of the emergency;

i. Purchase by direct negotiation if the Procurement Officer determines in writing that the use of competitive bidding is either not practicable or not advantageous to UCIP. The Procurement Officer shall negotiate with the vendor to insure that the terms of the contract, including price and delivery, are in the best interest of UCIP;

j. Purchase of goods or services if the Procurement Officer determines in writing that the transitional costs are a significant consideration in selecting a procurement item and the transitional costs are unreasonable or cost prohibitive, and that the award of a contact without engaging in a standard procurement process is in the best interest of UCIP; or

k. Purchase of goods or services through membership in a state, regional or national cooperative program, which provides competitively priced goods or services and membership is limited to governmental agency.

3. All purchases not exempted from the bidding process under paragraph 2, which are to be awarded to the lowest responsible bidder, shall be subject to bidding procedures as follows:

a. The Procurement Officer shall develop an Invitation to Bid identifying objective criteria to be used in evaluating and awarding a contract; and

b. An Invitation to Bid shall be issued when a contract is to be awarded using this Invitation to Bid process. The Invitation to Bid shall include a description of the goods or services to be purchased and all contractual terms and conditions applicable to the procurement.

4. All purchases not exempted from the bidding process under paragraph 2, which are to be awarded to the vendor that submits the highest scoring proposal shall be subject to procedures as follows:

a. The Procurement Officer shall develop a RFP identifying subjective criteria to be used in evaluating and awarding a contract. Prior to development of a RFP, the Procurement Officer may solicit information on the goods or services to be purchased; and

b. Proposals shall be evaluated by the Evaluation Committee based on the subjective criteria set forth in the RFP including documented independent scoring by the Evaluation Committee to determine best value.

5. The Procurement Officer shall provide a list of qualified vendors to be approved by the Board. The Procurement Officer may develop a list of qualified vendors using a RFQ or qualifying vendors through industry or association endorsements.

6. Public notice of the Invitation to Bid or RFP shall be given at least 30 days prior to the date set forth therein for all bids or proposals to be received, unless the Board approves as shorter notice period based on special circumstances. The Invitation to Bid or RFP shall be provided to all vendors on the qualified vendor list. The Invitation to Bid or RFP may also be noticed on the Utah Public Procurement website, industry and association websites, in a newspaper of general circulation, or in any other location advantageous to UCIP.

7. UCIP may cancel an Invitation to Bid or RFP at any time including after bids or proposals are received by way of rejecting all bids or proposals.

8. The amount of each bid or proposal and any other relevant information, together with the name of each bidder, shall be recorded. The record and each bid or proposal shall be open to public inspection.

9. Determination of non-responsiveness of a bidder or offeror shall be made in writing. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsiveness may be grounds for a determination of non-responsiveness with respect to the bidder or offeror.

10. Any type of contract which will promote the best interests of UCIP may be used, provided that the use of a cost-plus-a-percentage-of-cost contract or cost-reimbursement contract is prohibited. A cost-plus-a-percentage-of-cost contract or cost-reimbursement contract may be used only when a determination is made in writing by the Procurement Officer that exceptions exist similar to exceptions under 63G-6a-1205(5) and (6).

11. The following contractual clauses shall be included in all contracts unless an engagement letter is used for professional services, or exception is made by the Board:

a. The unilateral right of UCIP to order, in writing, changes in the work within the scope of the contract and changes in the time of performance of the contract that do not alter the scope of the contract work.

b. Variations occurring between estimated quantities of work in a contract and actual quantities; and

c. Suspension of work ordered by UCIP.

12. All specifications or descriptions of services shall seek to promote overall economy and best use for the purposes intended, and encourage competition in satisfying UCIP's needs, and shall not be unduly restrictive. Where practical and reasonable, and within the scope of Utah law, Utah products shall be given preference.

13. Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may appeal their grievance in the following manner:

a. An aggrieved bidder, offeror or contractor shall submit an appeal with the Procurement Officer in writing within five business days after the aggrieved person knows or should have known of the facts;

b. The Procurement Officer shall promptly issue a written decision regarding any grievance if it is not settled by mutual agreement. The decision shall state that reasons for the action taken and inform the appellant of the right to appeal to the Board;

c. The appellant shall submit a request for appeal of the Procurement Officer's decision in writing to the Procurement Officer within five working days of the date of the Procurement Officer's decision;

d. The Procurement Officer shall promptly provide the Board with the request for appeal, along with all relevant information, including the Procurement Officer's written decision;

e. The Board shall consider the appeal and shall provide the appellant with a written decision; and

f. The Board shall be the final appeal.

14. No person involved in making a procurement decision on behalf of UCIP may have personal investments in any business entity which will create a substantial conflict between their private interests and their public duties.

15. Any person involved in making procurement decisions on behalf of UCIP is subject to discipline up to and including termination if the person asks, receives, or offers to receive any emolument, gratuity, contribution, loan, or reward, or any promise thereof, either for the person's own use or the use or benefit of any other person or organization from any person or organization interested in selling to UCIP.

16. Any RFP or RFQ and all bids or proposals will be retained in accordance with the UCIP Records Retention Schedule.

17. All construction contracts shall include a requirement for a performance bond and a lienholders bond in an amount determined by the Procurement Officer unless bond requirements are waived by the Board.

18. A contract for goods or services may not exceed a term of five years unless the Procurement Officer opines in writing that is in the best interest of UCIP and the Board approves the extended contract term.

19. The Procurement Officer shall develop and maintain standard contractual terms and conditions.

20. At the time property, equipment and/or supplies are ready for sale or disposal, first the property, equipment and/or supplies will be offered for reutilization to UCIP Members, second to other governmental agencies, and third to the public using the Public Surplus online portal. UCIP will charge required sales tax to buyers and report sales tax to the State Tax Commission. If the property, equipment and/or supplies have little or no value, UCIP will use the most cost effective and efficient means of disposal.

SECTION G Revision History.

1. Original Policy Adoption: August 18, 2016

2. Revised: April 19, 2018

3. Revised: June 21, 2019

4. Revised: December 17, 2020

5. Revised: June 9, 2023

6. Revised: April 18, 2024

SECTION I Appendices.

1. Standard contract terms and conditions.

UTAH COUNTIES INDEMNITY POOL
~~PURCHASING~~ PROCUREMENT POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The Board originally adopted the Purchasing Policy on August 18, 2016.

2. This policy should be reviewed annually, but not less than every three years by the Board. This policy will also be reviewed any time that changes to laws or rules governing the purchasing practices of interlocal agencies are amended in a manner which would require review and update to this policy.

3. 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.

4. 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 policy of the Board related to purchases made using UCIP funds.

2. The underlying purposes of this policy are to:

a. Ensure fair and equitable treatment of all persons who wish to or do conduct business with UCIP.

b. Provide for the greatest possible economy in UCIP's procurement activities.

c. Foster effective, broad-based competition within the free enterprise system to ensure that UCIP will receive the best possible services or products at the lowest possible prices.

d. Provide for the accountability and ethical disposal of UCIP purchased property and equipment.

SECTION C AUTHORITY

1. The Board has the authority to adopt and amend this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy applies to all purchases made using UCIP funds.

2. This policy shall not prevent UCIP from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law.

3. When procurement involves the expenditure of federal assistance funds, UCIP shall comply with applicable federal law and regulations.

SECTION E DEFINITIONS

1. Board: the UCIP Board of Directors.

2. Business: any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

3. CEO: the UCIP Chief Executive Officer.

4. Contract: any agreement entered into by UCIP for the procurement or disposal of supplies, services, or construction, but shall not mean any policy of insurance, excess insurance or reinsurance, bond, surety or other risk financing instrument.

5. Evaluation Committee: the President, Vice-President and Secretary/Treasurer of the Board and the Procurement Officer.

6. Invitation ~~for~~ to Bid~~s~~: all documents, whether attached or incorporated by reference, used for soliciting bids.

7. Person: any business, individual, union, committee, club, other organization, or group of individuals.

8. Professional Services: labor, effort or work that requires an elevated degree of specialized knowledge and discretion, including accounting, architecture, construction and design management, engineering, financial services, information technology, insurance brokerage, legal, medical, or underwriting.

9. Procurement: buying, purchasing, renting, leasing, leasing with an option to purchase, or otherwise acquiring any supplies, services, or construction.

10. ~~Purchasing Agent~~Procurement Officer: the CEO or other person duly authorized by the Board to enter into and administer contracts and make written determinations with respect thereto.

11. Purchase Description: the words used in a solicitation to describe the supplies, services, or construction to be purchased, and includes specifications attached to or made a part of the solicitation.

12. Request for Proposals or RFP: all documents, whether attached or incorporated by reference, used for soliciting proposals.

13. Request for Qualifications or RFQ: a document used to solicit information about the qualifications of a person interested in providing services including all other documents attached to that document or incorporated in that document by reference.

SECTION F POLICY STATEMENTS

1. All purchases and procurements shall be made in a manner providing UCIP the most advantageous terms, conditions, cost and quality of products or services.

2. ~~All p~~Purchases and procurements shall be conducted under the procedures outlined in this policy in a fair and equitable manner.

3. ~~To establish an efficient and effective method for disposal of~~ UCIP surplus property, equipment and/or supplies shall be disposed of in an efficient and effective method.

4. Acceptance of bribes, gifts or other favors from a vendor in exchange for favorable treatment on a procurement is prohibited by the Board.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. The CEO shall act in the capacity of ~~Purchasing Agent~~Procurement Officer. The ~~Purchasing Agent~~Procurement Officer shall be responsible to ~~make~~ oversee procurements, solicit bids and proposals, enter into and administer contracts, and make written determinations under this policy. The ~~Purchasing Agent~~Procurement Officer may delegate purchasing authority at their discretion.

   ~~Purchases made using a UCIP business credit card will be determined by the Internal Accounting Controls Policy.~~

2. The following purchases shall not require use of a bidding process:

a. Purchases costing less than $~~5~~10,000 in total shall not require bids of any type;

b. Purchases costing more than $~~5~~10,000 but less than $~~10~~25,000 in total, shall require at least three telephone bids, but shall not require any other type of bid;

c. Purchases under paragraphs a. and b. shall not be artificially divided so as to constitute a small purchase. The total value of contract over the entire period determines the procurement threshold under paragraphs a. and b.;

d. Purchases made through the cooperative purchasing contracts administered by the State Division of Purchasing or another government approved contract that results from a competitive process;

e. Purchases made from a single-source provider as determined by the ~~Purchasing Agent~~Procurement Officer;

f. Purchase of professional services, if the Procurement Officer opines in writing to the Board that the services are of a professional nature;

g. Purchase of services if the ~~Purchasing Agent~~Procurement Officer opines in writing to the Board that the services are of such a nature, or require being provided in such a nature, as to be best provided by a specific source;

h. Purchases required during an emergency, i.e., an eminent threat to the public's health, welfare or safety. However, as much competition as practical should be obtained and such purchases should be limited to amounts necessary to the resolution of the emergency;

i. ~~When the~~ Purchase by direct negotiation if the ~~Purchasing Agent~~Procurement Officer determines in writing that the use of competitive bidding is either not practicable or not advantageous to UCIP~~,~~ . The Procurement Officer shall negotiate with the vendor to insure that the terms of the contract, including price and delivery, are in the best interest of UCIP;~~a contract may be entered into using a competitive proposal process described herein. The competitive proposal process is most appropriately used for professional service type contracts. The following procedures shall be used in the competitive proposal process.~~

j. Purchase of goods or services if the Procurement Officer determines in writing that the transitional costs are a significant consideration in selecting a procurement item and the transitional costs are unreasonable or cost prohibitive, and that the award of a contact without engaging in a standard procurement process is in the best interest of UCIP; or

k. Purchase of goods or services through membership in a state, regional or national cooperative program, which provides competitively priced goods or services and membership is limited to governmental agency.

3. All purchases not exempted from the bidding process under paragraph~~s~~ 2~~, 4, or 5~~, which are to be awarded to the lowest responsible bidder, shall be subject to bidding procedures as follows:

~~Contracts shall be awarded by competitive sealed bidding except as otherwise provided by this policy.~~

a. The Procurement Officer shall develop an Invitation to Bid identifying objective criteria to be used in evaluating and awarding a contract; and

b. ~~An invitation~~An Invitation to Bid ~~for bids~~ shall be issued when a contract is to be awarded ~~by competitive sealed bidding~~ using this Invitation to Bid process. The

~~invitation~~ Invitation to Bid shall include a ~~purchase~~ description of the goods or services to be purchased and all contractual terms and conditions applicable to the procurement.

~~Any procurement by sealed bid in excess of $10,000 shall require a legal notice in a local newspaper of general circulation.~~

~~Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids.~~

4. ~~Bids shall be unconditionally accepted without alteration or correction, except as authorized in this policy.~~ All purchases not exempted from the bidding process under paragraph 2, which are to be awarded to the vendor that submits the highest scoring proposal shall be subject to procedures as follows:

a. The Procurement Officer shall develop a RFP identifying subjective criteria to be used in evaluating and awarding a contract. Prior to development of a RFP, the Procurement Officer may solicit information on the goods or services to be purchased; and

b. ~~Bids~~ Proposals shall be evaluated by the Evaluation Committee based on the ~~requirements~~ subjective criteria set forth in the ~~invitation for bids~~RFP including documented independent scoring by the Evaluation Committee to determine best value.

~~The contract shall be awarded with reasonable promptness, by written notice, to the lowest bidder whose bid meets the requirements and criteria set forth in the invitation for bids as determined and approved by the Board.~~

5. The Procurement Officer shall provide a list of qualified vendors to be approved by the Board. The Procurement Officer may develop a list of qualified vendors using a RFQ or qualifying vendors through industry or association endorsements.

6. Public notice of the Invitation to Bid or RFP shall be given at least 30 days prior to the date set forth therein for all bids or proposals to be received, unless the Board approves as shorter notice period based on special circumstances. The Invitation to Bid or RFP shall be provided to all vendors on the qualified vendor list. The Invitation to Bid or RFP may also be noticed on the Utah Public Procurement website, industry and association websites, in a newspaper of general circulation, or in any other location advantageous to UCIP.

7. UCIP may cancel an Invitation to Bid or RFP at any time including after bids or proposals are received by way of rejecting all bids or proposals.~~Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted. After bid opening no changes in bid prices or other provisions of bids prejudicial to the interest of UCIP or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids or to cancel awards or contracts based on bid mistakes shall be supported by a written determination made by the Purchasing Agent.~~

8. The amount of each bid or proposal and any other relevant information, together with the name of each bidder, shall be recorded. The record and each bid or proposal shall be open to public inspection.

~~Evaluation of proposals shall be conducted by a committee of at least two persons, one of whom shall be the Purchasing Agent, as appointed by the Board.~~

~~Proposals shall be solicited through a Request for Proposals (RFP). Public notice of the RFP shall be given at least 30 days prior to the advertised date of the opening of the proposals.~~

~~Proposals shall be opened so as to avoid disclosure of contents to competing offerors during the process of evaluation and negotiation. A register of proposals shall be prepared and shall be open for public inspection after contract award.~~

~~The RFP shall state the relative importance of price and other evaluating factors.~~

~~Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors, except to the extent required by law.~~

~~Award shall be made to the person whose proposal is determined, in writing, to be most advantageous to UCIP, taking into consideration price and the evaluation factors set forth in the RFP. The contract file shall contain the basis on which the award is made.~~

~~When the Purchasing Agent determines in writing that the services to be contracted for are a qualification-based procurement, a contract may be entered into using a Request for Qualifications process described herein. The qualification-based process is most appropriately used for professional services of Brokers or Architect-Engineering services. The following procedures shall be used in the qualification-based process:~~

~~Qualification-based services should be solicited through a Request for Qualifications (RFQ).~~

~~RFQ's should be publicly announced.~~

~~Contracts should be negotiated by UCIP based on demonstrated competence at fair and reasonable prices.~~

~~When the Purchasing Agent determines it is in the best interest of UCIP to use the competitive RFP process under paragraph D, or the competitive RFQ process under paragraph E, the Purchasing Agent shall notify the Board of such determination before initiating the process. The Board may create an ad-hoc committee to assist the Purchasing~~

~~Agent in the process of developing, analyzing and making recommendation to the Board regarding such RFP or RFQ.~~

9. Determination of non-responsiveness of a bidder or offeror shall be made in writing. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsiveness may be grounds for a determination of non-responsiveness with respect to the bidder or offeror.

~~An invitation for bids, a request for proposals, a request for qualification, or other solicitation may be canceled, or any or all bids or proposals may be rejected, in whole or in part, as may be specified in the solicitation, when it is in the best interests of UCIP. The reasons shall be made a part of the contract file.~~

10. Any type of contract which will promote the best interests of UCIP may be used, provided that the use of a cost-plus-a-percentage-of-cost contract or cost-reimbursement contract is prohibited. A cost-plus-a-percentage-of-cost contract or cost-reimbursement contract may be used only when a determination is made in writing by the Procurement Officer that exceptions exist similar to exceptions under 63G-6a-1205(5) and (6).~~such contract is likely to be less costly to UCIP than any other type or that it is impracticable to obtain the supplies, services or construction required except under such a contract.~~

11. The following contractual clauses shall be included in all contracts unless an engagement letter is used for professional services, or exception is made by the Board:

a. The unilateral right of UCIP to order, in writing, changes in the work within the scope of the contract and changes in the time of performance of the contract that do not alter the scope of the contract work.

b. Variations occurring between estimated quantities of work in a contract and actual quantities; and

c. Suspension of work ordered by UCIP.

12. All specifications or descriptions of services shall seek to promote overall economy and best use for the purposes intended, and encourage competition in satisfying UCIP's needs, and shall not be unduly restrictive. Where practical and reasonable, and within the scope of Utah law, Utah products shall be given preference.

13. Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may appeal their grievance in the following manner:

a. An aggrieved bidder, offeror or contractor shall submit an appeal with the ~~Purchasing Agent~~Procurement Officer in writing within ~~5~~ five ~~working~~ business days after the aggrieved person knows or should have known of the facts;

b. The ~~Purchasing Agent~~Procurement Officer shall promptly issue a written decision regarding any grievance if it is not settled by mutual agreement. The decision shall state that reasons for the action taken and inform the appellant of the right to appeal to the Board;

c. The appellant shall submit a request for appeal of the ~~Purchasing Agent~~Procurement Officer's decision in writing to the ~~Purchasing Agent~~Procurement Officer within ~~5~~ five working days of the date of the ~~Purchasing Agent~~Procurement Officer's decision;

d. The ~~Purchasing Agent~~Procurement Officer shall promptly provide the Board with the request for appeal, along with all relevant information, including the ~~Purchasing Agent~~Procurement Officer's written decision;

e. The Board shall consider the appeal and shall provide the appellant with a written decision; and

f. The Board shall be the final appeal.

14. No person involved in making a procurement decision on behalf of UCIP may have personal investments in any business entity which will create a substantial conflict between their private interests and their public duties.

15. Any person involved in making procurement decisions on behalf of UCIP is subject to discipline up to and including termination if the person asks, receives, or offers to receive any emolument, gratuity, contribution, loan, or reward, or any promise thereof, either for the person's own use or the use or benefit of any other person or organization from any person or organization interested in selling to UCIP.

16. ~~When an invitation for bids, a request for proposals or request for qualification process is utilized, the invitation for bid~~Any RFP or RFQ and all bids or proposals ~~received in response, request for proposal and proposals received in response or request for qualifications and all responses to the request for qualifications~~ will be retained in accordance with the UCIP Records Retention Schedule.

17. All construction contracts shall include a requirement for a performance bond and a lienholders bond in an amount determined by the Procurement Officer unless bond requirements are waived by the Board.

18. A contract for goods or services may not exceed a term of five years unless the Procurement Officer opines in writing that is in the best interest of UCIP and the Board approves the extended contract term.

19. The Procurement Officer shall develop and maintain standard contractual terms and conditions.

20. At the time ~~purchases for~~ property, equipment and/or supplies are ready for sale or disposal, first the ~~purchases~~ property, equipment and/or supplies will be offered for reutilization to UCIP Members, second to other governmental agencies, and third to the public using the Public Surplus online portal. UCIP will charge required sales tax to buyers and report sales tax to the State Tax Commission. If the property, equipment and/or supplies have little or no value, UCIP will use the most cost effective and efficient means of disposal.

SECTION G Revision History.

1. Original Policy Adoption: August 18, 2016
2. Revised: April 19, 2018
3. Revised: June 21, 2019
4. Revised: December 17, 2020
5. Revised: June 9, 2023
6. Revised: April 18, 2024

SECTION I Appendices.

1. ~~There are no appendices to this policy.~~Standard contract terms and conditions.

5397 S Vine St
Murray, UT 84107-6757
801-307-2113

UTAH COUNTIES INDEMNITY POOL

INVOICE

BILL TO

Davis County
Attn: Curtis Koch, Clerk/Auditor
PO Box 618
Farmington, UT 84025

INVOICE # 3127
DATE 02/16/2024
DUE DATE 02/16/2024

DESCRIPTION	AMOUNT
Interest on Late Member Contribution	4,607.54

PTIF Interest Rate (JAN): 0.054066 + 0.02 = 0.074066
Member Contribution: $1,513,743 postmarked 02/15/24

BALANCE DUE **$4,607.54**

PAY EITHER BY:

INTERFUND TRANSFER:
PTIF Account: 1395-6030

ACH:
Account: 979796760
Routing: 124000054

Please note UCIP Bylaws 4.7(a): Members shall have the obligation to pay promptly all contributions and other payments to the Pool at such times and in such amounts as shall be established in accordance with these Bylaws. Annual contributions are due on or before the first day of January of the applicable fund year. Members making payments, or portions thereof, postmarked after January 31 shall be charged interest calculated daily at two percent above the rate that the Pool would have earned if the contributions had been deposited with the Public Treasurers Investment Fund (PTIF), subject to a $10.00 minimum late fee.

5397 S Vine St
Murray, UT 84107-6757
801-307-2113

UTAH COUNTIES INDEMNITY POOL

INVOICE

BILL TO

San Juan County
Attn: Lyman Duncan, Clerk/Auditor
PO Box 338
Monticello, UT 84535

INVOICE # 3134
DATE 03/22/2024
DUE DATE 03/22/2024

DESCRIPTION	AMOUNT
Interest on Late Member Contribution	874.63

PTIF Interest Rate (JAN): 0.054066 + 0.02 = 0.074066
Workers Compensation: $87,963 postmarked 03/20/2024

BALANCE DUE **$874.63**

PAY EITHER BY:

INTERFUND TRANSFER:
PTIF Account: 1395-6030

ACH:
Account: 979796760
Routing: 124000054

Please note UCIP Bylaws 4.7(a): Members shall have the obligation to pay promptly all contributions and other payments to the Pool at such times and in such amounts as shall be established in accordance with these Bylaws. Annual contributions are due on or before the first day of January of the applicable fund year. Members making payments, or portions thereof, postmarked after January 31 shall be charged interest calculated daily at two percent above the rate that the Pool would have earned if the contributions had been deposited with the Public Treasurers Investment Fund (PTIF), subject to a $10.00 minimum late fee.

2024 Utah Counties Indemnity Pool
Board of Directors Strategic Planning

Desert Rose Inn, Bluff UT

WEDNESDAY, JUNE 19TH

3:00 **Check-In**
6:00 **Dinner/Activity**

THURSDAY, JUNE 20TH

8:00 **Breakfast**
8:30 **Strategic Planning**
12:00 **Lunch**
1:00 **Board Meeting**
3:00 **Tour**
6:00 **Dinner**

FRIDAY, JUNE 21ST

8:00 **Breakfast**
8:30 **Strategic Planning**
12:00 **Boxed Lunch**

Monday, July 22, 2024	
Agenda	Travel Day with Reception
6:00 pm	Reception (The Oakroom) *Sponsored by Marsh*

Tuesday, July 23, 2024	
Agenda	Morning General Sessions followed by Networking/Dedicated Time with Respective Pools (General Sessions held in Medallion A/B)
6:00 am	Breakfast Buffet (Medallion C/D)
8:00 am	Welcome – Sonny Brasfield, Micheon Hollier, and Jim Henderson
8:25 am	Opening Speaker – David Randall *Sponsored by Safety National*
9:30 am	Fiduciary/Ethics – Brandy McAllister
10:15 am	Break (Medallion Foyer)
10:45 am	Capital Adequacy – Michael Shannon, Julie Rogers, and Kelly Flores
11:35 am	Leveraging Data – Robert Ruiz
12:15 pm	General Sessions Conclude - Lunch on your own or with your Respective Pools

Wednesday : All Meals in Medallion C/D with the exception of Dinner in The Rathskeller. | *All Day Beverage Station Sponsored by Pinnacle Actuarial Resources, Inc.*

Wednesday, July 24, 2024 Pooling Basics Track	
Agenda	Pooling Basics Track Break-Out Sessions (Mezzanine Salons A/B)
6:00 am	Breakfast Buffet (Medallion C/D)
8:00 am	Roles and Responsibilities of an Actuary – Thomas Meyer
8:45 am	Roles and Responsibilities of Independent CPA Firms – Julie Rogers
9:30 am	Break (Mezzanine Foyer)
10:00 am	Roles and Responsibilities of Investment Advisor – Alton Cogert, SAA, and Dan Byrnes, AAM
10:45 am	Roles and Responsibilities of Reinsurance – Greg Mann
11:15 am	Transition to General Sessions downstairs in Medallion A/B

Wednesday, July 24, 2024 Pooling Advanced Track	
Agenda	Pooling Advanced Track Break-Out Sessions (Mezzanine Salons C/D)
6:00 am	Breakfast Buffet (Medallion C/D)
8:00 am	Cyber and Forensics – Matt Meade and Jeff Birnbach
8:45 am	State of the Property Market – Greg Mann
9:30 am	Break (Mezzanine Foyer)
10:00 am	Public Entity State of the Market and Political Subdivision – Kelly Flores and Sherry Barbosky
10:45 am	Law Enforcement in Today's Environment – Johnnie Miller, John Brownlee, Temple Juett, and Robert Ruiz
11:15 am	Transition to General Sessions downstairs in Medallion A/B

Wednesday, July 24, 2024 General Sessions	
Agenda	General Sessions and Keynote (General Sessions and Keynote held in Medallion A/B)
11:20 am	Pool Board Governance Roundtable – Ashley Abercrombie and Johnnie Miller
12:05	Lunch (Medallion C/D)
2:00 pm	**The Keynote Speaker – Bill Samuels, Jr.**
3:30 pm	Claims Roundtable - Robert Ruiz and Brandy McAllister
4:35 pm	Risk Control Roundtable - Temple Juett and Charlie Eaton
5:15 pm	Session Wrap Up and Closing Remarks prior to Dinner
6:00 pm	Reception (The Rathskeller)
7:00 pm	Dinner (The Rathskeller) *Sponsored by Safety National*

Thursday, July 25, 2024	
Agenda	Departures

AGENDA

Utah Counties Indemnity Pool Board of Directors Meeting

Thursday, June 20, 2024 1:00 p.m.
Desert Rose Inn 701 W Main St Bluff UT

8:00	Open Meeting, Welcome, Pledge of Allegiance, Prayer	Bruce Adams
ITEM	ACTION	
1.	Review/Excuse Board Members Absent	Bruce Adams
2.	Review/Approve April 18, 2024 Meeting Minutes	Mike Wilkins
3.	Ratification/Approval of Payments and Credit Card Transactions	Mike Wilkins
4.	Review/Approve 2024 Member Appraisals and Cost Index Factor	Johnnie Miller
5.	Review/Approve 2024 Budget Amendment	Johnnie Miller
6.	Review/Approve 2025 Preliminary Budget	Johnnie Miller
7.	Review/Approve Member Equity/ Historical Loss Ratios	Johnnie Miller
8.	Review/Approve	Johnnie Miller
9.	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Bruce Adams
10.	Action on Personnel Matters	William Cox
11.	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	Bruce Adams
12.	Action on Litigation Matters	Christopher Crockett
	INFORMATION	
13.	Chief Executive Officer’s Report	Johnnie Miller
14.	CRL Board Training Conference – Louisville, KY, July 23-25, 2024	Aly Michale
15.	Other Reports: Draft August Agenda/October Meeting Date	Bruce Adams