UTAH COUNTIES INDEMNITY POOL

BOARD OF TRUSTEES MEETING

Thursday, August 21, 2014 12:30 p.m.

UCIP Offices, 10980 S. Jordan Gateway, South Jordan, UT

AGENDA

12:00	Lunch Provided	
12:30	Call to Order	Bruce Adams
ITEM	**ACTION**	
1	Review/Excuse Board Members Absent	Bruce Adams
2	Review/Approve July 17, 2014 Meeting Minutes	Karla Johnson
3	Ratification and Approval of Payments and Credit Card Transactions	Karla Johnson
4	Review/Approve First Quarter Financial Statements	Sonya White
5	Review/Approve Second Quarter Financial Statements	Sonya White
6	Review/Approve Actuarial Rate Study	Lisa Dennison
7	Review/Approve 2015 Contribution Indications	Johnnie Miller
8	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Bruce Adams
9	Action on Personnel Matters	Bruce Adams
10	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	Bruce Adams
11	Action on Litigation Matters	David Blackwell
	INFORMATION	
12	Chief Executive Officer's Report	Johnnie Miller
13	Other Business	Bruce Adams

Electronic Meeting Notice: 888-447-7153, Participant Passcode: 2261240

PO Box 95730, South Jordan, UT 84095-0730
Phone (801)565-8500 ☙ *Fax* (801)568-0495 ☙ ucip.utah.gov

Entity: Utah Counties Indemnity Pool

Public Body: Board of Trustees

Subject:	Administrative Services
Notice Title:	Board of Trustees Meeting
Meeting Location:	10980 S Jordan Gateway South Jordan 84095
Notice Date & Time:	August 21, 2014 12:30 PM - 3:30 PM
Description/Agenda:	Call to Order Review/Excuse Board Members Absent Review/Approve July 17, 2014 Meeting Minutes Ratification and Approval of Payments and Credit Card Transactions Review/Approve First Quarter Financial Statements Review/Approve Second Quarter Financial Statements Review/Approve Actuarial Rate Study Review/Approve 2015 Contribution Indications Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual Action on Personnel Matters Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation Action on Litigation Matters Chief Executive Officer's Report Other Business
Notice of Special Accommodations:	In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, PO

	Box 95730, South Jordan, UT, 84095, or call 800-339-4070, at least three days prior to the meeting.
Notice of Electronic or telephone participation:	Any Member of the Utah Counties Indemnity Pool Board of Trustees may participate telephonically.
Other information:	
Contact Information:	Sonya White 801-565-8500 sonya@ucip.utah.gov
Posted on:	August 21, 2014 07:41 AM
Last edited on:	August 21, 2014 07:41 AM

Printed from Utah's Public Notice Website (http://pmn.utah.gov/)

BOARD OF TRUSTEES' MEETING
MINUTES

August 21, 2014, 12:30 p.m.

UCIP Offices
10980 S Jordan Gateway, South Jordan, UT

BOARD MEMBERS PRESENT	Bruce Adams, *President*, San Juan County Commissioner Jim Eardley, *Vice President*, Washington County Commissioner Karla Johnson, *Secretary/Treasurer* Kane County Clerk/Auditor Alma Adams, Iron County Commissioner David Blackwell, Emery County Attorney William Cox, Rich County Commissioner Alden Orme, Juab County Sheriff Seth Oveson, Carbon County Clerk/Auditor Mark Whitney, Beaver County Commissioner
BOARD MEMBERS VIA TELEPHONIC CONFERENCE	Mike Wilkins, Uintah County Clerk/Auditor
BOARD MEMBERS ABSENT	Brad Dee, Weber County Human Resources Kerry Gibson, Weber County Commissioner Bret Millburn, Davis County Commissioner
OTHERS PRESENT	Lisa Dennison, President, By the Numbers Actuarial Consulting Johnnie Miller, UCIP Chief Executive Officer Sonya White, UCIP Chief Financial Officer

Call to Order

Bruce Adams called this meeting, of the Utah Counties Indemnity Pool's Board of Trustees, to order at 12:30 p.m. on August 21, 2014 and welcomed those in attendance.

Review/Excuse Board Members Absent

Alden Orme made a motion to excuse Brad Dee, Kerry Gibson and Bret Millburn from this meeting. Alma Adams seconded the motion, which passed unanimously.

Review/Approve July 17, 2014 Meeting Minutes

The minutes of the Board of Trustees meeting held July 17, 2014, were previously sent to the Board Members for review (see attachment number one). Karla Johnson requested that the second sentence in the first paragraph, under the **Chief Executive Officers** Report, be deleted. David Blackwell requested that the minutes be corrected to show the time of *Call to Order* at 12:30 p.m. not 8:00 a.m. David Blackwell made a motion to approve the July 17, 2014 meeting minutes as corrected. William Cox seconded the motion, which passed unanimously.

Ratification and Approval of Payments and Credit Card Transactions

The payments made, the payments to be made and the credit card transactions were reviewed by the Board (see attachment number two). Karla Johnson made a motion to approve the payments made, the payments to be made and the credit card transactions as presented. Seth Oveson seconded the motion, which passed unanimously.

Review/Approve First Quarter Financial Statements

Sonya White presented the in-house prepared, unaudited account balances arising from cash transactions and from accrual transactions of the Utah Counties Indemnity Pool as of March 31, 2014 and the accompanying notes to basic financial statements to the Board (see attachment number three). Karla Johnson made a motion to approve the First Quarter Financial Statements as presented. Jim Eardley seconded the motion, which passed unanimously.

Review/Approve Second Quarter Financial Statements

Sonya White presented the in-house prepared, unaudited account balances arising from cash transactions and from accrual transactions of the Utah Counties Indemnity Pool as of June 30, 2014 and the accompanying notes to basic financial statements to the Board (see attachment number four). Karla Johnson made a motion to approve the Second Quarter Financial Statements as presented. Jim Eardley seconded the motion, which passed unanimously.

Review/Approve Actuarial Rate Study

Lisa Dennison presented the actuarial findings for indicated contributions for 2015 (see attachment number five). The indicated contribution is the amount that the Pool needs to collect from its members to cover expected losses and expenses. Loss experience, actuarial assumptions, quantitative analysis and professional judgment are used to project pure loss rates for each line of coverage and provide an expected confidence level. Based on the projected claims and fixed expenses (table 20, page 39) the undiscounted (for investment income) contribution indication increases 14.7% from the current contribution. The expected total member contribution to collect is $5,160,000. William Cox made a motion to approve the Actuarial Rate Study as presented with the expected contribution level. Karla Johnson seconded the motion, which passed unanimously.

Review/Approve 2015 Contribution Indications

The updated exposure information has been collected from each member, who is participating in the 2015 program, and compiled to be presented to the Board (see attachment number six). The change in exposures is three percent. Johnnie Miller explained that if rates remain the same, the estimated use of surplus will be approximately $300,000 at the expected contribution level. By including reinsurance costs for the increased liability limit, crime and cyber coverage as well as the change in the liability rate, the overall contribution change is approximately 15% to reach the expected level. The Board scheduled a telephonic conference for August 27, 2014 at 1:00 p.m. to allow absent Board Members to review the indications and for the Board to approve the 2015 member contributions.

Set Date and Time for Closed Meeting

Seth Oveson made a motion to strike agenda item: *Set Date and Time for 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

Seth Oveson 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

David Blackwell made a motion to strike agenda item: *Set Date and Time for a Closed Meeting to Discuss Pending or Reasonably Imminent Litigation*. Seth Oveson seconded the motion, which passed unanimously.

Action on Litigation Matters

David Blackwell made a motion to strike agenda item: *Action on Litigation Matters*. Seth Oveson seconded the motion, which passed unanimously.

Chief Executive Officer's Report

Johnnie Miller reported that County Reinsurance Limited (CRL) is no longer able to provide liability limits with no annual aggregate for the UCIP program as AIG is no longer making this option available to CRL. Johnnie will continue to work with CRL to provide the best coverage available to members.

Johnnie Miller and Sonya White attended CRL's Cyber Conference for training on how to underwrite/rate this new coverage.

Johnnie Miller reported that he met with the Duchesne County Commissions regarding personnel matters.

The staff at the Utah Association of Counties (UAC) invited UCIP staff to lunch at the UAC building in anticipation of the Pool moving its offices back into the building.

UCIP staff attended the monthly PRIMA luncheon wherein the discussion related to volunteer liability. Many of the cities and the state are trying to catch up to the training that UCIP has already been providing for quite some time.

Johnnie Miller and Tom Betar attended the Davis County Commissioners event. Johnnie had an opportunity to talk to Steve Baker, former Davis County Personnel Director and former UCIP Board Member, of the Public Employees Health Program (PEHP). Steve realizes the importance of counties working together and will set up a meeting with the new PEHP Chief Executive Officer to discuss the possibility of a UCIP Pool within the Local Governments Pool of PEHP.

Johnnie Miller reported on his presentation at the monthly Sheriffs Association meeting regarding the several court cases currently involving law enforcement. With law enforcement driving over half of the exposure it may be worth the Board looking at rating law enforcement separate from the general liability.

Other Business

Karla Johnson reported that Korby Siggard, UCIP Claims Manager, and Adam Trupp, UAC Chief Executive Officer, attended the Clerk/Auditor's Summer Workshop. Korby answered questions and helped where needed to make the event special. Adam gave a great presentation about UAC working more closely with UCIP and their expertise in Risk Management and training of county officials and employees.

The next meeting of the Board of Trustees will be held Thursday, September 18, 2014, 12:30 p.m. at the UCIP Offices, 10980 S. Jordan Gateway, South Jordan, Utah.

Approved on this 21 day of Aug 2014

Karla Johnson

Karla Johnson, *Secretary/Treasurer*

Utah Counties Indemnity Pool
Payments
July 18 - August 21, 2014

Type	Date	Num	Name	Memo	Amount
500-000000-10010100 ML Expense					
Liability Check	07/30/2014		QuickBooks Payroll Service	Created by Payroll Service on 07/25/2014	-11,469.89
Liability Check	08/14/2014		QuickBooks Payroll Service	Created by Payroll Service on 08/11/2014	-11,242.11
Liability Check	07/31/2014	ONLINE	Utah Retirement Systems	Confirmation Number: 072926477802	-7,682.82
Liability Check	07/31/2014	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,076.42
Liability Check	07/31/2014	ONLINE	Utah State Tax Commission	Confirmation Number: 1-512-738-304	-1,523.41
Liability Check	07/31/2014	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270461123893025	-4,574.58
Liability Check	08/12/2014	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270462463577500	-4,478.64
Check	07/24/2014	VISA	Wells Fargo	Account Number: 4856 2002 0207 3675	-2,626.80
Check	07/24/2014	VISA	Wells Fargo	Account Number: 4856 2002 0207 3691	-229.64
Check	07/28/2014	7245	Johnnie R. Miller	Expense Reimbursement	-246.40
Check	07/28/2014	7246	Sonya J. White	Expense Reimbursement	-168.00
Liability Check	07/28/2014	7247	Public Employees Health Program	Policy Number 1076 (Jun)	-5,165.06
Check	07/28/2014	7248	Mike Wilkins	Mileage Reimbursement	-203.84
Check	07/28/2014	7249	Bruce Adams	Mileage Reimbursement	-324.80
Check	07/28/2014	7250	Iron County	Alma Adams Mileage Reimbursement	-246.40
Check	07/28/2014	7251	Karla Johnson	Mileage Reimbursement	-336.00
Check	07/28/2014	7252	Jim Eardley	Mileage Reimbursement	-313.60
Check	07/28/2014	7253	Bret Millburn	Mileage Reimbursement	-35.28
Check	07/28/2014	7254	Brad Dee	Mileage Reimbursement	-60.48
Check	07/28/2014	7255	Mark Whitney	Mileage Reimbursement	-243.04
Check	07/28/2014	7256	Kerry Gibson	Mileage Reimbursement	-60.48
Check	07/28/2014	7257	David Blackwell	Mileage Reimbursement	-174.72
Check	07/28/2014	7258	PEHP-LTD	Coverage Period: JUL 2014	-197.92
Bill Pmt -Check	07/28/2014	7259	AGRIP	Member Number: 393	-940.23
Bill Pmt -Check	07/28/2014	7260	Arthur J. Gallagher & Co.	Invoice Number: 1015785	-2,441.00
Bill Pmt -Check	07/28/2014	7261	End Point Corporation	Invoice Number: Balance Forward	-60.00
Bill Pmt -Check	07/28/2014	7262	HCA Asset Management, LLC	Invoice Number: 14-0207	-30,905.00
Bill Pmt -Check	07/28/2014	7263	Pitney Bowes Global Financial Servic...	Invoice Number: 1528795-JY14	-199.00
Bill Pmt -Check	08/01/2014	7264	Western AgCredit	Invoice Number: 8-2014	-10,186.70
Check	08/02/2014	7265	Washington County	Korby Siggard Summer Workshop Registration	-150.00
Liability Check	08/12/2014	7266	Opticare of Utah	Invoice Number: 54154	-51.27
Check	08/12/2014	7267	Korby M. Siggard	Expense Reimbursement	-427.64
Bill Pmt -Check	08/12/2014	7268	Integra	915218	-538.06
Bill Pmt -Check	08/12/2014	7269	Les Olson Company	Invoice Number: EA537084	-90.56
Bill Pmt -Check	08/12/2014	7270	Office Depot	35538769	-53.59
Bill Pmt -Check	08/12/2014	7271	Premiere Global Services	Invoice Number: 16557898	-27.28
Bill Pmt -Check	08/12/2014	7272	Revco Leasing Company, LLC	Invoice Number: 367109	-435.91
Bill Pmt -Check	08/12/2014	7273	Tri-Tel Networks	VOID: UACIM	0.00
Bill Pmt -Check	08/12/2014	7274	Utah PRIMA Chapter	Luncheon Non-Member Fee: Tom Betar	-15.00
Bill Pmt -Check	08/12/2014	7275	Whitney Advertising & Design, Inc.	Invoice Number: 20326	-890.25
Liability Check	08/21/2014	7276	Public Employees Health Program	Policy Number 1076 (Aug)	-5,165.06
Check	08/21/2014	7277	Thomas A. Betar		-38.75
Bill Pmt -Check	08/21/2014	7278	By The Numbers Actuarial Consultin...	Invoice Number: 2014-148	-5,000.00
Bill Pmt -Check	08/21/2014	7279	TCNS, Inc.	Invoice Number: 4864	-180.00
Bill Pmt -Check	08/21/2014	7280	Weber County Commission Office	Event Sponsor: 08/25/14	-300.00
Bill Pmt -Check	08/21/2014	7281	TCNS, Inc.	Invoice Number: 4847	-130.00
Bill Pmt -Check	08/21/2014	7282	TCNS, Inc.	Invoice Number: 4908	-1,035.00
Total 500-000000-10010100 ML Expense					-112,940.63
TOTAL					**-112,940.63**

Utah Counties Indemnity Pool

FINANCIAL STATEMENTS

Quarter Ending March 31, 2014

Utah Counties Indemnity Pool

First Quarter 2014 Financial Statements

To the Board of Trustees:

I have compiled the accompanying, in-house prepared, unaudited account balances arising from cash transactions and from accrual transaction of the Utah Counties Indemnity Pool as of 03/31/2014 and accompanying notes to basic financial statements.

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

Reviewed this _____ day of _____, 2014

By: _____

UTAH COUNTIES INDEMNITY POOL
STATEMENT of NET POSITION
March 31, 2014

	Mar 31, 2014	Dec 31, 2013	Mar 31, 2013
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 11,226,011	$ 9,528,300	$ 12,816,569
Accounts receivable	63,536	6,796	622,041
Reinsurance recoverable	-	373,248	273,268
Prepaid expenses	937,457	269,184	930,599
TOTAL CURRENT ASSETS	12,227,003	10,177,528	14,642,477
INVESTMENTS	3,015,639	3,161,068	2,015,165
PROPERTY AND EQUIPMENT	23,512	26,983	38,582
OTHER ASSETS			
Land held for investment	526,778	526,778	526,778
Security deposits	11,336	11,336	11,336
TOTAL ASSETS	$ 15,804,268	$ 13,903,693	$ 17,234,337
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Reserves for losses and loss adjustment expenses	$ 9,103,341	$ 9,103,341	$ 7,759,910
Accounts payable	-	7,369	661
Accrued expenses	65,786	56,860	48,878
Contributions paid in advance	3,443,198	931,620	3,814,241
TOTAL CURRENT LIABILITIES	12,612,324	10,099,190	11,623,690
TOTAL LIABILITIES	12,612,324	10,099,190	11,623,690
NET POSITION			
Net investment in capital assets	38,582	38,582	38,582
Unrestricted	3,153,362	3,765,921	5,572,066
TOTAL NET POSITION	3,191,944	3,804,503	5,610,648
TOTAL LIABILITIES AND NET POSITION	$ 15,804,268	$ 13,903,693	$ 17,234,337

Notes to financial statements are an integral part.

UTAH COUNTIES INDEMNITY POOL
STATEMENTS of REVENUES, EXPENSES, and CHANGES in NET POSITION
March 31, 2014

	Mar 31, 2014	Budget	Over Budget	% of Budget
OPERATING INCOME				
Contributions	$ 1,147,733	4,590,931	4,590,931	25%
Investment income	18,473	105,000	105,000	18%
Other income	2,767	18,000	18,000	15%
TOTAL OPERATING INCOME	1,168,972	4,713,931	4,713,931	25%
UNDERWRITING EXPENSES				
Losses and loss adjustment expenses	1,269,943	3,335,158	(2,065,215)	38%
Reinsurance coverage	302,844	1,580,000	(1,277,156)	19%
TOTAL UNDERWRITING EXPENSES	1,572,787	4,915,158	(3,342,371)	32%
ADMINISTRATION EXPENSES				
Board of Trustees	10,326	40,000	(29,674)	26%
Depreciation	3,471	15,000	(11,529)	23%
Loss control	2,904	45,000	(42,096)	6%
Marketing	3,445	14,000	(10,555)	25%
Office operations	43,335	200,000	(156,665)	22%
Professional services	5,000	150,000	(145,000)	3%
Staff	142,989	675,000	(532,011)	21%
TOTAL ADMINISTRATION EXPENSES	211,470	1,139,000	(927,530)	19%
TOTAL OPERATING EXPENSES	1,784,257			
NET OPERATING INCOME	(615,285)			
OTHER INCOME (EXPENSES)				
Unrealized gain on marketable securities	2,727			
TOTAL OTHER INCOME	2,727			
CHANGE IN NET POSITION	(612,558)			
NET POSITION AT BEGINNING OF YEAR	3,804,503			
NET POSITION AT END OF QUARTER	$ 3,191,944			

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

UTAH COUNTIES INDEMNITY POOL
STATEMENTS of CASH FLOWS
March 31, 2014

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Contributions collected	$ 3,602,570	$ 5,570,936
Other fees collected	2,767	18,261
Reinsurance paid	(971,117)	(1,538,159)
Losses and loss expenses paid	(896,695)	(3,217,919)
Cash paid to employees	(134,063)	(629,924)
Other administrative expenses paid	(72,379)	(490,078)
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,531,083	(286,884)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (purchase) of investments	145,429	(847,365)
Investment income	21,200	68,528
NET CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES	166,629	(778,837)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,697,712	(1,065,720)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,528,300	10,594,020
CASH AND CASH EQUIVALENTS AT END OF QUARTER/YEAR	$ 11,226,011	$9,528,300
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net position	$ (612,558)	$ (2,142,872)
Adjustments to reconcile change in net position to net cash flows from operating activities		
Depreciation	3,471	15,464
Interest on investments	(18,473)	(76,266)
Increase in equity in CRI	-	103,676
Unrealized gain on investments	(2,727)	7,738
Accounts receivable	(56,740)	(5,291)
Prepaid expenses	(668,273)	(166)
Reinsurance recoverable	373,248	(40,631)
Reserves for loss and loss adjustment expenses	-	1,354,654
Accounts payable	(7,369)	1,914
Accrued expenses	8,926	4,158
Contributions paid in advance	2,511,578	490,738
Total adjustments	2,143,641	1,855,988
NET CASH FLOWS FROM OPERATING ACTIVITIES	$ 1,531,083	$ (286,884)

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

UTAH COUNTIES INDEMNITY POOL
NOTES to FINANCIAL STATEMENTS
March 31, 2014

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 Sections 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 and GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. 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.

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 revenue and expenses during the reporting period. 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, certificates of deposit and investments in County Reinsurance Limited (CRL).

Investments in U.S. Government securities as of March 31, 2014 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.

The investments in CRL are valued 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land Held for Investment

The Pool purchased land in October of 2007 with the intent of building office space to house Pool employees and conduct Board meetings and training. In September 2008, the Board determined to hold the land as an investment for future sale.

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.

Contributions

Contributions are collected annually on January 1.

Capital Assets

Capital assets are defined by the Pool as assets with an initial individual cost of more than $500. 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 current year, as of the quarter ending March 31, 2014, amounted to $3,471.

Net Asset Management

To assure that the Pool's assets are adequate without holding excessive net assets, the Pool manages net asset levels between 90% and 100% of annual revenue. Net assets should be controlled within a minimum of 50% and a maximum of 120% 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, 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 the quarter ending March 31, 2014, amounts to $200,000.

The Dividend Plan is utilized by the Board to return excess net assets to members.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Asset Management (continued)

The Net Asset Management Plan indicates net assets should not exceed 100% 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; or development of new or expanded services.

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 methods for making such estimates and for establishing the resulting liabilities are reviewed quarterly and any adjustments are reflected in the period determined.

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. In consideration of their 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.

For 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management of the Pool has evaluated subsequent events through March 31, 2014. No subsequent events were noted during this evaluation that required recognition or disclosure in these financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

Listed below is a summary of the cash and investment portfolios as of March 31, 2014. 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 of the Pool are carried at cost. The carrying amount of the cash on deposit, net of outstanding checks, is $77,289 as of March 31, 2014. The corresponding bank balance of the deposits is $208,874 as of March 31, 2014.

All of the Pool's cash on deposit bank accounts are noninterest-bearing. The FDIC had no limits on noninterest-bearing accounts in financial institutions insured by the FDIC for the period of January 1, 2010 to December 31, 2012. As of January 1, 2013, 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. 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.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

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

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. As of March 31, 2014, all of the Pool's bank balances were fully insured by the FDIC.

As of March 31, 2014, the Pool's cash and cash equivalents and investments included the following:

	2014
Cash on deposit	$ 77,289
Public Treasurers' Investment Fund	10,896,121
Zions Wealth Advisors	252,600
Total cash and cash equivalents	11,226,011
Investments - U.S. government securities	1,807,688
Equity investment in County Reinsurance Limited	1,207,951
Land held for sale	526,778
Total investments	3,542,416
Total cash and cash equivalents and investments	$14,768,427

Investments

The Pool records its investments in U.S. Government Securities at market value. The Pool records investments with County Reinsurance Limited (CRL) using the equity method of accounting. Investments in CRL are confirmed annually. All other investments are through the Public Treasurers Investment Fund (PTIF).

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (continued)

The differences between book value and fair value, as of March 31, 2014, are as follows:

2014	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Statement Value
Securities	$ 1,800,802	$ 2,727	$ -	$ 1,803,529	$ 1,803,529
Equity	1,207,951	-	-	1,207,951	1,207,951
Land	526,778	-	-	526,778	526,778
Total investments	$ 3,535,531	$ 2,727	$ -	$ 3,538,258	$ 3,538,258

Interest Rate Risk

Interest rate risk is the risk that when interest rates change, it adversely affects 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. Following are the Pool's investments at March 31, 2014:

		Investment Maturities (in years)	
Investment Type	Carrying Amount and Fair Value	Less than 1	1-5
Debt securities:			
Corporate bonds	$ 304,595	$ 50,195	$ 254,400
Mortgage backed securities	1,503,092	-	1,503,092
Total debt securities	1,807,688	50,195	1,757,493
Other investments:			
CRL equity	1,207,951		
Land	526,778		
Total Other Investments	1,734,729		
Total investments	$ 3,542,416		

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

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 March 31, 2014, investments in U.S. government securities, in the amount of $1,652,917, are considered to be Category three securities. As of March 31, 2014, Public Treasurers Investment Fund (PTIF) investments, equity investments in County Reinsurance Limited (CRL) and land held for sale in the total amount of $12,630,850 are uncategorized investments.

NOTE 3 - INVESTMENT INCOME

Investment income is comprised of the following as of March 31, 2014:

	2014
Interest:	
Bonds	$ 5,606
Equity	-
Cash	12,866
Total interest income	$ 18,473
Cash received:	
Bonds	$ 2,727
Cash	12,866
Total cash received	15,593
Noncash adjustments:	
Equity	-
Change in accrued interest	1,235
Amortization	1,644
Total noncash adjustments	2,879
Total investment income	$ 18,473

NOTE 4 - INTEREST RATES

The interest rates for assets held with the Utah Public Treasurers' Investment Fund (PTIF) were .4954 percent as of March 31, 2014.

NOTE 5 - CAPITAL ASSETS

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

2014	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated:				
Office furniture and equipment	$ 167,190	$ -	$ -	$ 167,190
Total capital assets, being depreciated	167,190	-	-	167,190
Less accumulated depreciation for:				
Office furniture and equipment	(140,207)	(3,471)	-	(143,678)
Total accumulated depreciation	(140,207)	(3,471)	-	(143,678)
Total capital assets being depreciated, net	26,983	(3,471)	-	23,512
Total capital assets, net	$ 26,983	$ (3,471)	$ -	$ 23,512

NOTE 6 - REINSURANCE

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 and property and 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 $1,021,156 as of March 31, 2014. However, the Pool is contingently liable for those amounts in the event such companies are unable to pay their portion of the claims.

Reinsurance Recoverables on Aggregate Losses

As of March 31, 2014, the Pool has no reinsurance recoverables on aggregate policies (1992-2002) from its reinsurers for accrued losses.

NOTE 6 - REINSURANCE (CONTINUED)

Unsecured Reinsurance Recoverables

There are no letters of credit, trust agreements or funds withheld on reinsurance recoverables. The amount of $907,021 as of March 31, 2014, exceeds three percent of the Pool's surplus and is considered unsecured recoverables on known claims.

Reinsurance Recoverable in Dispute

As of March 31, 2014, the Pool has no disputed balances or uncollectible funds.

NOTE 7 - RETIREMENT PLANS

Cost-Sharing Defined Benefits Pension Plan

Plan Description. The Pool contributes to the Local Governmental Public Employees' Noncontributory Retirement System (Noncontributory System), which is a cost-sharing multiple-employer defined benefit pension plan administered by the Utah Retirement Systems (URS). The URS provide refunds, retirement benefits, annual cost of living adjustment, and death benefits to plan members and beneficiaries in accordance with Title 49 of Utah Code Annotated 1953 as amended.

The Noncontributory System is established and governed by Chapter 13, Title 49 of Utah Code Annotated 1953 as amended. Utah Code Ann. §49-11-202, as amended, provides for the administration of the URS and any System under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The URS issues a publicly available financial report that includes financial statements and required supplementary information for the Noncontributory System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 E. 200 S., Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy. The Pool is required to contribute 17.29 percent of covered salary to the Noncontributory System for Tier 1 employees. The Pool is required to contribute 13.99 percent of covered salary to the Noncontributory System for Tier 2 employees. The contribution rates are determined by URS using actuarial analysis.

The contribution requirements of the Noncontributory System are authorized pursuant to Utah Code Ann. §49-13-301, as amended, and specified by the Utah State Retirement Board.

NOTE 7 - RETIREMENT PLANS (CONTINUED)

Cost-Sharing Defined Benefits Pension Plan (continued)

The Pool's contribution to the Noncontributory System for the quarter ending March 31, 2014 was $15,223. The contributions were equal to the required contributions for each year. The Pool has no further liability once contributions are made.

Defined Contribution Pension Plans

The Pool is required to contribute 1.59 percent of covered salary to the Noncontributory System Tier 2 Fund 401(k) plan (administered by the Utah State Retirement Systems). The total Tier 2 Fund retirement expense for the Pool as of March 31, 2014 was $0. The Pool contributes an amount equal to the amount contributed by the employee into a 401(k) plan (administered by the Utah State Retirement Systems) and/or a 457 plan (administered by Nationwide Retirement Solutions), not to exceed five percent of the employee's eligible payroll. The total retirement expense for the Pool as of March 31, 2014 was $3,140.

NOTE 8 - UNPAID CLAIMS, LOSSES AND LOSS ADJUSTMENT EXPENSES

During the 2014 budget process, the Board determined that an ongoing analysis of recent loss development trends would be conducted once a year instead of quarterly. Reserves for incurred losses and loss adjustment expenses attributable to covered events of prior years are higher than the actuarial determined "expected" confidence level. As of March 31, 2014, the unpaid claims, losses and loss adjustment expenses of the Pool are $9,103,341.

NOTE 9 - OPERATING LEASE COMMITMENT

On September 4, 2008, the Pool entered into a seven year commitment to lease office space. The lease commenced in February 2009 at which time the Pool occupied the premises. The Pool paid $30,263 in rent as of March 31, 2014.

Future minimum rental commitments for the building operating lease are as follows:

2015	125,908
2016	21,614
Total minimum lease payments	$ 147,522

NOTE 10 - 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.

Utah Counties Indemnity Pool

FINANCIAL STATEMENTS

Quarter Ending June 30, 2014

Utah Counties Indemnity Pool

Second Quarter 2014 Financial Statements

To the Board of Trustees:

I have compiled the accompanying, in-house prepared, unaudited account balances arising from cash transactions and from accrual transaction of the Utah Counties Indemnity Pool as of 06/30/2014 and accompanying notes to basic financial statements.

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

Reviewed this _____ day of _____, 2014

By: _____

UTAH COUNTIES INDEMNITY POOL
STATEMENT of NET POSITION
June 30, 2014

	Jun 30, 2014	Dec 31, 2013	Jun 30, 2013
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 9,858,528	$ 9,528,300	$ 12,110,503
Accounts receivable	27,272	6,796	19,799
Reinsurance recoverable	-	373,248	151,300
Prepaid expenses	634,613	269,184	302,815
TOTAL CURRENT ASSETS	10,520,413	10,177,528	12,584,416
INVESTMENTS	3,217,174	3,161,068	2,775,056
PROPERTY AND EQUIPMENT	20,222	26,983	50,180
OTHER ASSETS			
Land held for investment	526,778	526,778	526,778
Security deposits	11,336	11,336	11,336
TOTAL ASSETS	$ 14,295,922	$ 13,903,693	$ 15,947,766
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES			
Reserves for losses and loss adjustment expenses	$ 9,103,341	$ 9,103,341	$ 7,479,264
Accounts payable	-	7,369	11,927
Accrued expenses	65,922	56,860	51,000
Contributions paid in advance	2,295,465	931,620	3,140,626
TOTAL CURRENT LIABILITIES	11,464,728	10,099,190	10,682,817
TOTAL LIABILITIES	11,464,728	10,099,190	10,682,817
NET POSITION			
Net investment in capital assets	38,582	38,582	89,848
Unrestricted	2,792,613	3,765,921	5,175,101
TOTAL NET POSITION	2,831,194	3,804,503	5,264,949
TOTAL LIABILITIES AND NET POSITION	$ 14,295,922	$ 13,903,693	$ 15,947,766

Notes to financial statements are an integral part.

UTAH COUNTIES INDEMNITY POOL
STATEMENTS of REVENUES, EXPENSES, and CHANGES in NET POSITION
June 30, 2014

	Jun 30, 2014	Budget	Over Budget	% of Budget
OPERATING INCOME				
Contributions	$ 2,295,465	4,590,931	4,590,931	50%
Investment income	36,644	105,000	105,000	35%
Other income	7,865	18,000	18,000	44%
TOTAL OPERATING INCOME	2,339,974	4,713,931	4,713,931	50%
UNDERWRITING EXPENSES				
Losses and loss adjustment expenses	2,226,452	3,335,158	(1,108,706)	67%
Reinsurance coverage	605,688	1,580,000	(974,312)	38%
TOTAL UNDERWRITING EXPENSES	2,832,140	4,915,158	(2,083,018)	58%
ADMINISTRATION EXPENSES				
Board of Trustees	31,963	40,000	(8,037)	80%
Depreciation	6,762	15,000	(8,238)	45%
Loss control	23,548	45,000	(21,452)	52%
Marketing	7,890	14,000	(6,110)	56%
Office operations	79,965	200,000	(120,035)	40%
Professional services	54,500	150,000	(95,500)	36%
Staff	280,413	675,000	(394,587)	42%
TOTAL ADMINISTRATION EXPENSES	485,041	1,139,000	(653,960)	43%
TOTAL OPERATING EXPENSES	3,317,182			
NET OPERATING INCOME	(977,207)			
OTHER INCOME (EXPENSES)				
Unrealized gain on marketable securities	3,899			
TOTAL OTHER INCOME	3,899			
CHANGE IN NET POSITION	(973,308)			
NET POSITION AT BEGINNING OF YEAR	3,804,503			
NET POSITION AT END OF QUARTER	$ 2,831,194			

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

UTAH COUNTIES INDEMNITY POOL
STATEMENTS of CASH FLOWS
June 30, 2014

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Contributions collected	$ 3,638,834	$ 5,570,936
Other fees collected	7,865	18,261
Reinsurance paid	(971,117)	(1,538,159)
Losses and loss expenses paid	(1,853,204)	(3,217,919)
Cash paid to employees	(271,351)	(629,924)
Other administrative expenses paid	(205,234)	(490,078)
NET CASH FLOWS FROM OPERATING ACTIVITIES	345,793	(286,884)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (purchase) of investments	(56,106)	(847,365)
Investment income	40,543	68,528
NET CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES	(15,563)	(778,837)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	330,230	(1,065,720)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,528,300	10,594,020
CASH AND CASH EQUIVALENTS AT END OF QUARTER/YEAR	$ 9,858,528	$9,528,300
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net position	$ (973,308)	$ (2,142,872)
Adjustments to reconcile change in net position to net cash flows from operating activities		
Depreciation	6,762	15,464
Interest on investments	(36,644)	(76,266)
Increase in equity in CRI	-	103,676
Unrealized gain on investments	(3,899)	7,738
Accounts receivable	(20,476)	(5,291)
Prepaid expenses	(365,429)	(166)
Reinsurance recoverable	373,248	(40,631)
Reserves for loss and loss adjustment expenses	-	1,354,654
Accounts payable	(7,369)	1,914
Accrued expenses	9,062	4,158
Contributions paid in advance	1,363,845	490,738
Total adjustments	1,319,100	1,855,988
NET CASH FLOWS FROM OPERATING ACTIVITIES	$ 345,793	$ (286,884)

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

UTAH COUNTIES INDEMNITY POOL
NOTES to FINANCIAL STATEMENTS
June 30, 2014

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 Sections 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 and GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. 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.

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 revenue and expenses during the reporting period. 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, certificates of deposit and investments in County Reinsurance Limited (CRL).

Investments in U.S. Government securities as of June 30, 2014 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.

The investments in CRL are valued 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land Held for Investment

The Pool purchased land in October of 2007 with the intent of building office space to house Pool employees and conduct Board meetings and training. In September 2008, the Board determined to hold the land as an investment for future sale.

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.

Contributions

Contributions are collected annually on January 1.

Capital Assets

Capital assets are defined by the Pool as assets with an initial individual cost of more than $500. 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 current year, as of the quarter ending June 30, 2014, amounted to $6,762.

Net Asset Management

To assure that the Pool's assets are adequate without holding excessive net assets, the Pool manages net asset levels between 90% and 100% of annual revenue. Net assets should be controlled within a minimum of 50% and a maximum of 120% 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, 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 the quarter ending June 30, 2014, amounts to $200,000.

The Dividend Plan is utilized by the Board to return excess net assets to members.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Asset Management (continued)

The Net Asset Management Plan indicates net assets should not exceed 100% 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; or development of new or expanded services.

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 methods for making such estimates and for establishing the resulting liabilities are reviewed quarterly and any adjustments are reflected in the period determined.

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. In consideration of their 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.

For 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management of the Pool has evaluated subsequent events through June 30, 2014. No subsequent events were noted during this evaluation that required recognition or disclosure in these financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

Listed below is a summary of the cash and investment portfolios as of June 30, 2014. 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 of the Pool are carried at cost. The carrying amount of the cash on deposit, net of outstanding checks, is $522,020 as of June 30, 2014. The corresponding bank balance of the deposits is $113,619 as of June 30, 2014.

All of the Pool's cash on deposit bank accounts are noninterest-bearing. The FDIC had no limits on noninterest-bearing accounts in financial institutions insured by the FDIC for the period of January 1, 2010 to December 31, 2012. As of January 1, 2013, 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. 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.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

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

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. As of June 30, 2014, all of the Pool's bank balances were fully insured by the FDIC.

As of June 30, 2014, the Pool's cash and cash equivalents and investments included the following:

	2014
Cash on deposit	$ 522,020
Public Treasurers' Investment Fund	9,278,650
Zions Wealth Advisors	57,858
Total cash and cash equivalents	9,858,528
Investments - U.S. government securities	2,009,223
Equity investment in County Reinsurance Limited	1,207,951
Land held for sale	526,778
Total investments	3,743,952
Total cash and cash equivalents and investments	$13,602,480

Investments

The Pool records its investments in U.S. Government Securities at market value. The Pool records investments with County Reinsurance Limited (CRL) using the equity method of accounting. Investments in CRL are confirmed annually. All other investments are through the Public Treasurers Investment Fund (PTIF).

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (continued)

The differences between book value and fair value, as of June 30, 2014, are as follows:

2014	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Statement Value
Securities	$ 2,005,324	$ 3,899	$ -	$ 2,009,223	$ 2,009,223
Equity	1,207,951	-	-	1,207,951	1,207,951
Land	526,778	-	-	526,778	526,778
Total investments	$ 3,740,053	$ 3,899	$ -	$ 3,743,952	$ 3,743,952

Interest Rate Risk

Interest rate risk is the risk that when interest rates change, it adversely affects 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. Following are the Pool's investments at June 30, 2014:

Investment Type	Carrying Amount and Fair Value	Investment Maturities (in years)	
		Less than 1	1-5
Debt securities:			
Corporate bonds	$ 252,274	$ -	$ 252,274
Mortgage backed securities	1,750,676	-	1,750,676
Total debt securities	2,002,950	-	2,002,950
Other investments:			
CRL equity	1,207,951		
Land	526,778		
Total Other Investments	1,734,729		
Total investments	$ 3,737,678		

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

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 June 30, 2014, investments in U.S. government securities, in the amount of $2,002,950, are considered to be Category three securities. As of June 30, 2014, Public Treasurers Investment Fund (PTIF) investments, equity investments in County Reinsurance Limited (CRL) and land held for sale in the total amount of $11,013,379 are uncategorized investments.

NOTE 3 - INVESTMENT INCOME

Investment income is comprised of the following as of June 30, 2014:

	2014
Interest:	
Bonds	$ 11,227
Equity	-
Cash	25,417
Total interest income	$ 36,644
Cash received:	
Bonds	$ (253)
Cash	25,417
Total cash received	25,164
Noncash adjustments:	
Equity	-
Change in accrued interest	11,733
Amortization	(253)
Total noncash adjustments	11,480
Total investment income	$ 36,644

NOTE 4 - INTEREST RATES

The interest rates for assets held with the Utah Public Treasurers' Investment Fund (PTIF) were .4954 percent as of June 30, 2014.

NOTE 5 - CAPITAL ASSETS

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

2014	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated:				
Office furniture and equipment	$ 167,190	$ -	$ -	$ 167,190
Total capital assets, being depreciated	167,190	-	-	167,190
Less accumulated depreciation for:				
Office furniture and equipment	(140,207)	(6,762)	-	(146,969)
Total accumulated depreciation	(140,207)	(6,762)	-	(146,969)
Total capital assets being depreciated, net	26,983	(6,762)	-	20,221
Total capital assets, net	$ 26,983	$ (6,762)	$ -	$ 20,221

NOTE 6 - REINSURANCE

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 and property and 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 $631,832 as of June 30, 2014. However, the Pool is contingently liable for those amounts in the event such companies are unable to pay their portion of the claims.

Reinsurance Recoverables on Aggregate Losses

As of June 30, 2014, the Pool has no reinsurance recoverables on aggregate policies (1992-2002) from its reinsurers for accrued losses.

NOTE 6 - REINSURANCE (CONTINUED)

Unsecured Reinsurance Recoverables

There are no letters of credit, trust agreements or funds withheld on reinsurance recoverables. The amount of $907,021 as of June 30, 2014, exceeds three percent of the Pool's surplus and is considered unsecured recoverables on known claims.

Reinsurance Recoverable in Dispute

As of June 30, 2014, the Pool has no disputed balances or uncollectible funds.

NOTE 7 - RETIREMENT PLANS

Cost-Sharing Defined Benefits Pension Plan

Plan Description. The Pool contributes to the Local Governmental Public Employees' Noncontributory Retirement System (Noncontributory System), which is a cost-sharing multiple-employer defined benefit pension plan administered by the Utah Retirement Systems (URS). The URS provide refunds, retirement benefits, annual cost of living adjustment, and death benefits to plan members and beneficiaries in accordance with Title 49 of Utah Code Annotated 1953 as amended.

The Noncontributory System is established and governed by Chapter 13, Title 49 of Utah Code Annotated 1953 as amended. Utah Code Ann. §49-11-202, as amended, provides for the administration of the URS and any System under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The URS issues a publicly available financial report that includes financial statements and required supplementary information for the Noncontributory System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 E. 200 S., Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy. The Pool is required to contribute 17.29 percent of covered salary to the Noncontributory System for Tier 1 employees. The Pool is required to contribute 13.99 percent of covered salary to the Noncontributory System for Tier 2 employees. The contribution rates are determined by URS using actuarial analysis.

The contribution requirements of the Noncontributory System are authorized pursuant to Utah Code Ann. §49-13-301, as amended, and specified by the Utah State Retirement Board.

NOTE 7 - RETIREMENT PLANS (CONTINUED)

Cost-Sharing Defined Benefits Pension Plan (continued)

The Pool's contribution to the Noncontributory System as of June 30, 2014 was $30,916. The contributions were equal to the required contributions for each year. The Pool has no further liability once contributions are made.

Defined Contribution Pension Plans

The Pool is required to contribute 1.59 percent of covered salary to the Noncontributory System Tier 2 Fund 401(k) plan (administered by the Utah State Retirement Systems). The total Tier 2 Fund retirement expense for the Pool as of June 30, 2014 was $0. The Pool contributes an amount equal to the amount contributed by the employee into a 401(k) plan (administered by the Utah State Retirement Systems) and/or a 457 plan (administered by Nationwide Retirement Solutions), not to exceed five percent of the employee's eligible payroll. The total retirement expense for the Pool as of June 30, 2014 was $6,541.

NOTE 8 - UNPAID CLAIMS, LOSSES AND LOSS ADJUSTMENT EXPENSES

During the 2014 budget process, the Board determined that an ongoing analysis of recent loss development trends would be conducted once a year instead of quarterly. Reserves for incurred losses and loss adjustment expenses attributable to covered events of prior years are higher than the actuarial determined "expected" confidence level. As of June 30, 2014, the unpaid claims, losses and loss adjustment expenses of the Pool are $9,103,341.

NOTE 9 - OPERATING LEASE COMMITMENT

On September 4, 2008, the Pool entered into a seven year commitment to lease office space. The lease commenced in February 2009 at which time the Pool occupied the premises. The Pool paid $60,824 in rent as of June 30, 2014.

Future minimum rental commitments for the building operating lease are as follows:

2015	125,908
2016	21,614
Total minimum lease payments	$ 147,522

NOTE 10 - 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.

Mary Jean King, FCAS, FCA, MAAA
Consulting Actuary
118 Warfield Road
Cherry Hill, NJ 08034
P:856.428.5961 F:856.428.5962
mking@bynac.com

By The Numbers Actuarial Consulting, Inc.

Draft Issued 8/12/14

UTAH COUNTIES INDEMNITY POOL (UCIP)

ACTUARIAL REPORT
Premium Indication 1/1-12/31/15

8/12/14

FINDINGS

The findings are the product of loss experience, actuarial assumptions, quantitative analysis, and professional judgment. The estimates 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.

INDICATED PREMIUM NEED

The indicated premium for 1/1-12/31/15 on an undiscounted and discounted for investment income basis is shown below. UCIP provided the discount rate of 0.7%. BYNAC has reviewed this rate compared to the risk-free interest rate on three and five year U.S. Treasury bonds on 7/21/14 and finds it reasonable.

INDICATED PREMIUM FOR 1/1-12/31/15

	Undiscounted for Investment Income					
	30%	Expected	70%	80%	90%	95%
Indicated Premium	$4,920,000	$5,160,000	$5,350,000	$5,500,000	$5,710,000	$5,900,000
Estimated Premium	4,500,241					
Premium Indication	+ 9.3%	+14.7%	+18.9%	+22.2%	+26.9%	+31.1%

	Discounted for Investment Income at 0.7% per Annum					
	30%	Expected	70%	80%	90%	95%
Indicated Premium	$4,870,000	$5,110,000	$5,290,000	$5,440,000	$5,650,000	$5,830,000
Estimated Premium	4,500,241					
Premium Indication	+ 8.2%	+13.5%	+17.5%	+20.9%	+25.5%	+29.5%

The low and high figures shown are judgmental and are not intended to establish absolute minimums or maximums on the estimates, but rather to depict a reasonable range for the establishment of premium in this particular situation. The indicated premium is the amount that UCIP needs to collect from its members to cover expected losses and expenses. The estimated premium is based on the premium UCIP expects to collect for 1/1-12/31/15.

COMPARISON TO PRIOR REPORT

The loss projections in this report are compared to the 9/16/13 actuarial report in the following table.

COMPARISON OF LOSS PROJECTIONS TO PRIOR REPORT

Coverage	Report	Pure Loss Rate	Exposure		Projected Losses
General Liability	Current	$3.90	$ 459,300	^	$ 1,790,000
	Prior	3.15	510,583		1,610,000
	Change	+23.8%	-10.0%		+11.2%
Auto Liability	Current	$ 85	3,079	*	$ 260,000
	Prior	110	3,467		380,000
	Change	-22.7%	-11.2%		-31.6%
Property	Current	$0.0380	$15,498,580	~	$ 590,000
	Prior	0.0440	17,088,760		750,000
	Change	-13.6%	- 9.3%		-21.3%
Total	Current	---	----		$ 2,640,000
	Prior	---	----		2,740,000
	Change	+ 7.1%	-10.0%		- 3.6%

^ Expenditures (1,000).
* Vehicles.
~ Insured value (100).

General liability (GL) loss rates continue to rise leading to an increase in the projected loss rate for 1/1-12/31/15. The projected loss rate for auto liability (AL) decreased again due to favorable experience in the 1/1-12/31/09 through 1/1-12/31/13 periods. The average property (PR) loss rates have once again decreased. Overall, the total loss projection is a 3.6% decrease compared to last year due to a 7.1% increase in experience and a 10.0% decrease in exposure.

Table 1

UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

ESTIMATED ULTIMATE INCURRED LOSSES
INCURRED LOSS DEVELOPMENT
(Net of Recoveries)

A. LOSSES LIMITED TO $250,000

Policy Period	Incurred Losses as of 6/30/14	Number of Claims in Excess of $250,000	Incurred Losses in Excess of $250,000	Limited Incurred Losses as of 6/30/14
1/1-12/31/09	$2,269,688	4	$ 326,241	$1,943,447
1/1-12/31/10	2,489,267	1	125,000	2,364,267
1/1-12/31/11	1,871,389	1	420,000	1,451,389
1/1-12/31/12	2,061,518	2	250,000	1,811,518
1/1-12/31/13	1,249,156	0	0	1,249,156
Total	$9,941,018	8	$1,121,241	$8,819,777

B. ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Limited Incurred Losses as of 6/30/14	Age of Policy Period in Months	Incurred Loss Development Factor*	Estimated Ultimate Incurred Losses
1/1-12/31/09	$1,943,447	66.0	1.118	$ 2,172,774
1/1-12/31/10	2,364,267	54.0	1.216	2,874,949
1/1-12/31/11	1,451,389	42.0	1.491	2,041,271 ^
1/1-12/31/12	1,811,518	30.0	2.063	3,205,662 ^
1/1-12/31/13	1,249,156	18.0	3.235	3,497,020 ~
Total	$8,819,777			$13,791,676

* Based on Section C of Table 1 of the 4/11/14 actuarial report.
^ Did not develop claims in excess of retention due to their large size relative to total losses.
~ Did not develop large claims beyond retention.

Figure 1

UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES
(Limited to $250,000)

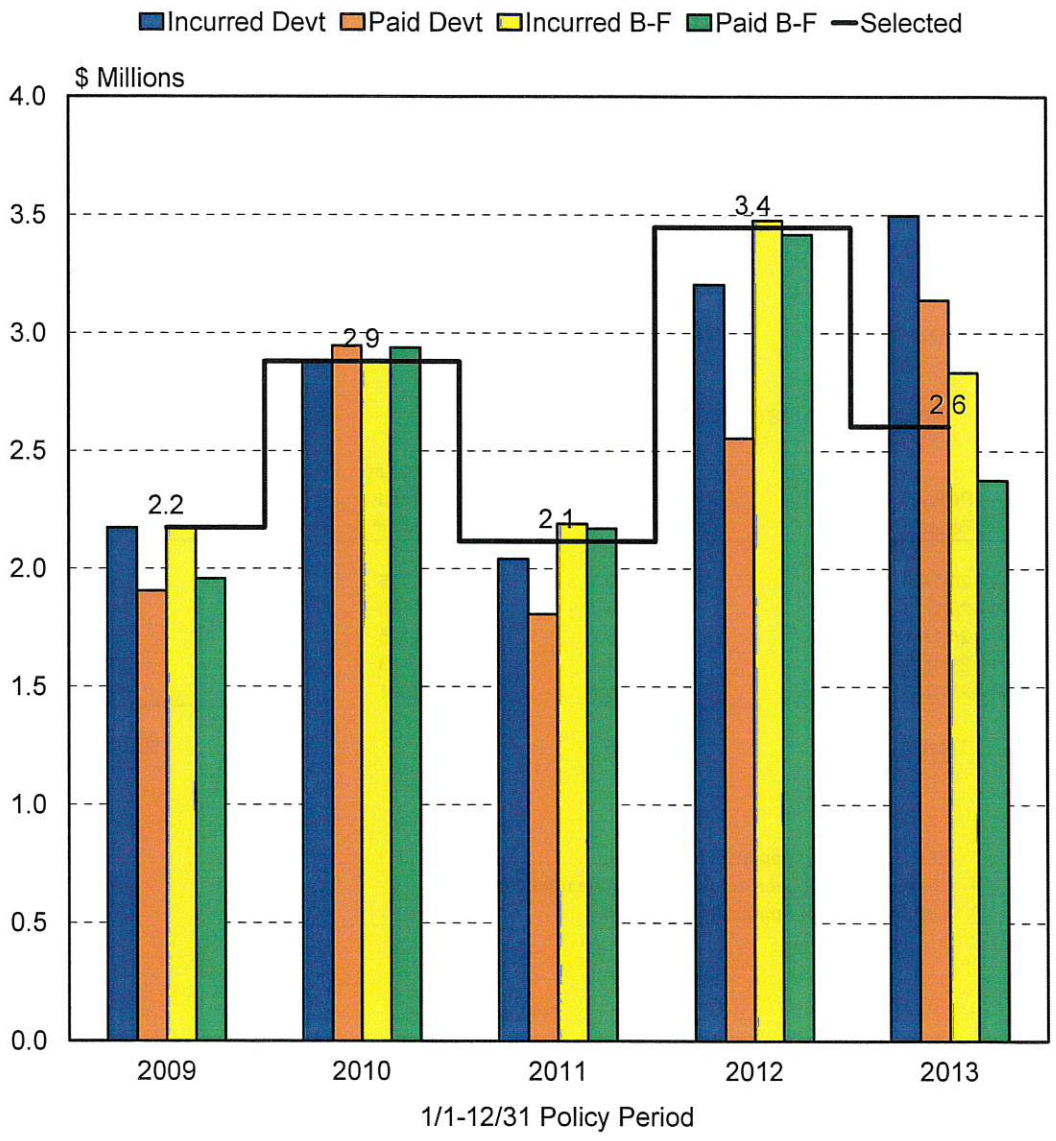


Table 6

UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

COST LEVEL ADJUSTMENT
(Limited to $250,000)

A. LOSSES ADJUSTED TO 1/1-12/31/15

Policy Period	Estimated Ultimate Incurred Losses	Loss Trend Factor*	Adjusted Losses#
1/1-12/31/09	$ 2,173,467	1.200	$ 2,388,160
1/1-12/31/10	2,879,303	1.169	3,315,693
1/1-12/31/11	2,116,001	1.131	2,360,447
1/1-12/31/12	3,447,281	1.093	3,721,378
1/1-12/31/13	2,604,241	1.060	2,760,495
Total	$13,220,293		$14,546,173

B. EXPOSURE ADJUSTED TO 1/1-12/31/15

Policy Period	Expenditures ($1,000s)	Exposure Trend Factor^	Adjusted Expenditures ($1,000s)
1/1-12/31/09	$ 659,039	1.195	$ 787,552
1/1-12/31/10	677,708	1.160	786,141
1/1-12/31/11	669,118	1.126	753,427
1/1-12/31/12	737,032	1.093	805,576
1/1-12/31/13	573,138	1.061	608,099
Total	$3,316,035		$3,740,795

* See Section A of Appendix B, Exhibit I.
\# Losses have not been adjusted above the retention.
^ See Section A of Appendix B, Exhibit II.

Table 7

UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

PROJECTED LOSSES FOR 1/1-12/31/15
(Limited to $250,000)

A. PURE LOSS RATES

Policy Period	Adjusted Losses	Adjusted Expenditures ($1,000s)	Pure Loss Rate per $1,000 Expenditures
1/1-12/31/09	$ 2,388,160	$ 787,552	$3.03
1/1-12/31/10	3,315,693	786,141	4.22
1/1-12/31/11	2,360,447	753,427	3.13
1/1-12/31/12	3,721,378	805,576	4.62
1/1-12/31/13	2,760,495	608,099	4.54
Total	$14,546,173	$3,740,795	
		Average	$3.91
		Wtd Average	3.89
		3 Yr Average	4.10
		5 Yr Mid Average	3.96
		Prior	3.15
		Selected^	3.90

B. PROJECTED LOSSES

Policy Period	Selected Pure Loss Rate	Projected Expenditures ($1,000s)	Projected Losses
1/1-12/31/15	$3.90	$ 459,300 #	$1,790,000

^ Selected the weighted average.
# Provided by UCIP.

Figure 2

UTAH COUNTIES INDEMNITY POOL

GENERAL LIABILITY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/15 COST LEVEL
(Limited to $250,000)

Table 14

UTAH COUNTIES INDEMNITY POOL

AUTO LIABILITY

PROJECTED LOSSES FOR 1/1-12/31/15
(Limited to $250,000)

A. PURE LOSS RATES

Policy Period	Adjusted Losses	Vehicles	Pure Loss Rate per Vehicle
1/1-12/31/09	$ 357,655	4,229	$ 85
1/1-12/31/10	349,545	4,092	85
1/1-12/31/11	346,895	4,159	83
1/1-12/31/12	175,464	4,202	42
1/1-12/31/13	329,429	3,503	94
Total	$1,558,988	20,185	
		Average	$ 78
		Wtd Average	77
		3 Yr Average	73
		5 Yr Mid Average	84
		Prior	110
		Selected^	85

B. PROJECTED LOSSES

Policy Period	Selected Pure Loss Rate	Projected Vehicles	Projected Losses
1/1-12/31/15	$ 85	3,079 #	$ 260,000

^ Selected the 5 Yr Mid Average.
# Provided by UCIP.

Figure 4

UTAH COUNTIES INDEMNITY POOL

AUTO LIABILITY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/15 COST LEVEL
(Limited to $250,000)

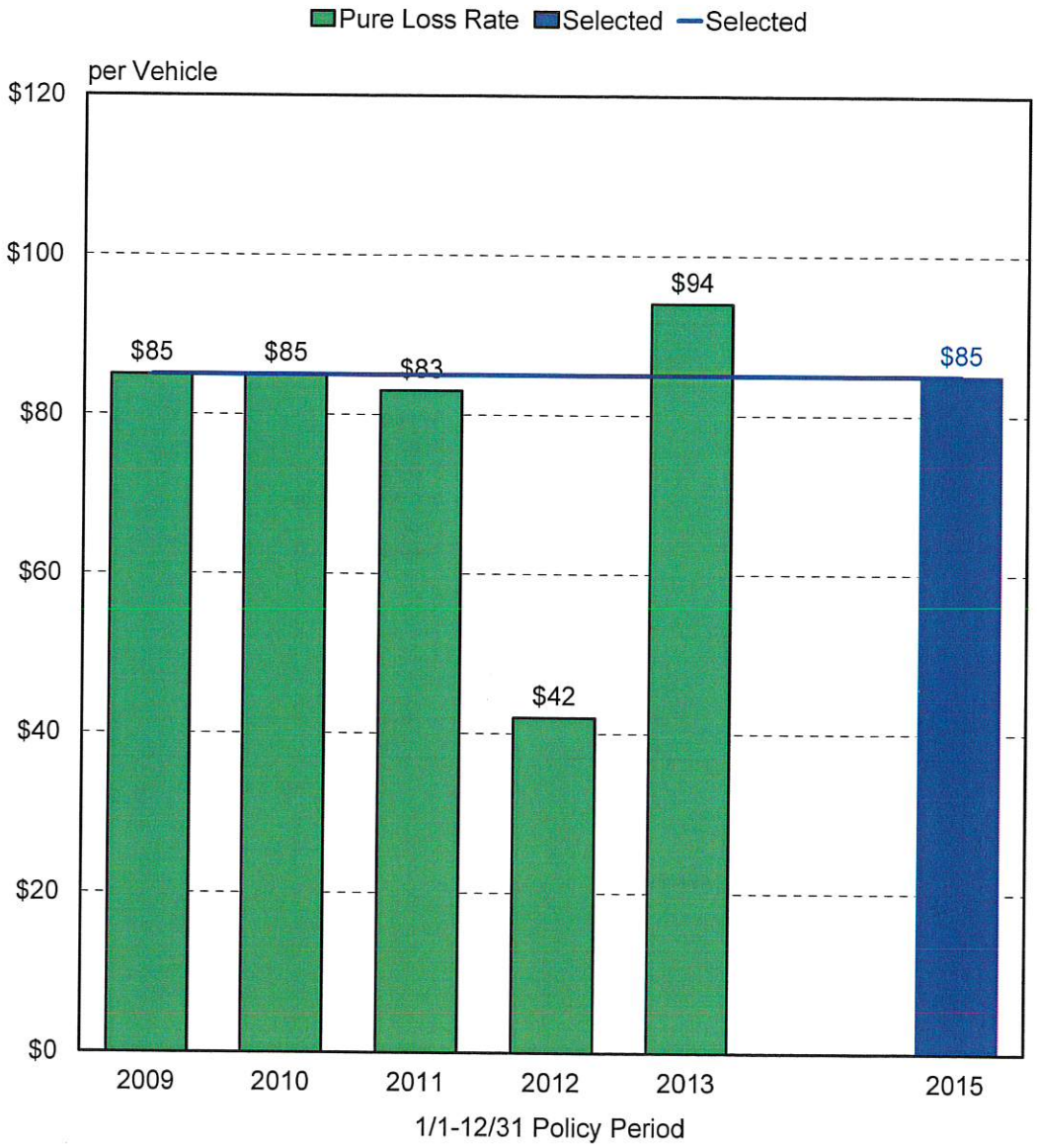


Table 19

UTAH COUNTIES INDEMNITY POOL

PROPERTY

PROJECTED LOSSES FOR 1/1-12/31/15
(Limited to $250,000)

A. PURE LOSS RATES

Policy Period	Adjusted Losses	Adjusted Insured Value ($100s)	Pure Loss Rate per $100 Ins. Value
1/1-12/31/09	$ 809,191	$16,208,018	$0.0499
1/1-12/31/10	410,079	16,683,957	0.0246
1/1-12/31/11	513,228	17,150,453	0.0299
1/1-12/31/12	874,043	17,553,026	0.0498
1/1-12/31/13	534,369	15,120,996	0.0353
Total	$3,140,910	$82,716,450	
		Average	$0.0379
		Wtd Average	0.0380
		3 Yr Average	0.0383
		5 Yr Mid Average	0.0383
		Prior	0.0440
		Selected^	0.0380

B. PROJECTED LOSSES

Policy Period	Selected Pure Loss Rate	Projected Ins. Value ($100s)	Projected Losses
1/1-12/31/15	$0.0380	$15,498,580 #	$ 590,000

^ Selected the weighted average.
# Provided by UCIP including Davis County building and contents,

Figure 6

UTAH COUNTIES INDEMNITY POOL

PROPERTY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/15 COST LEVEL
(Limited to $250,000 Excluding Davis County Building and Contents)

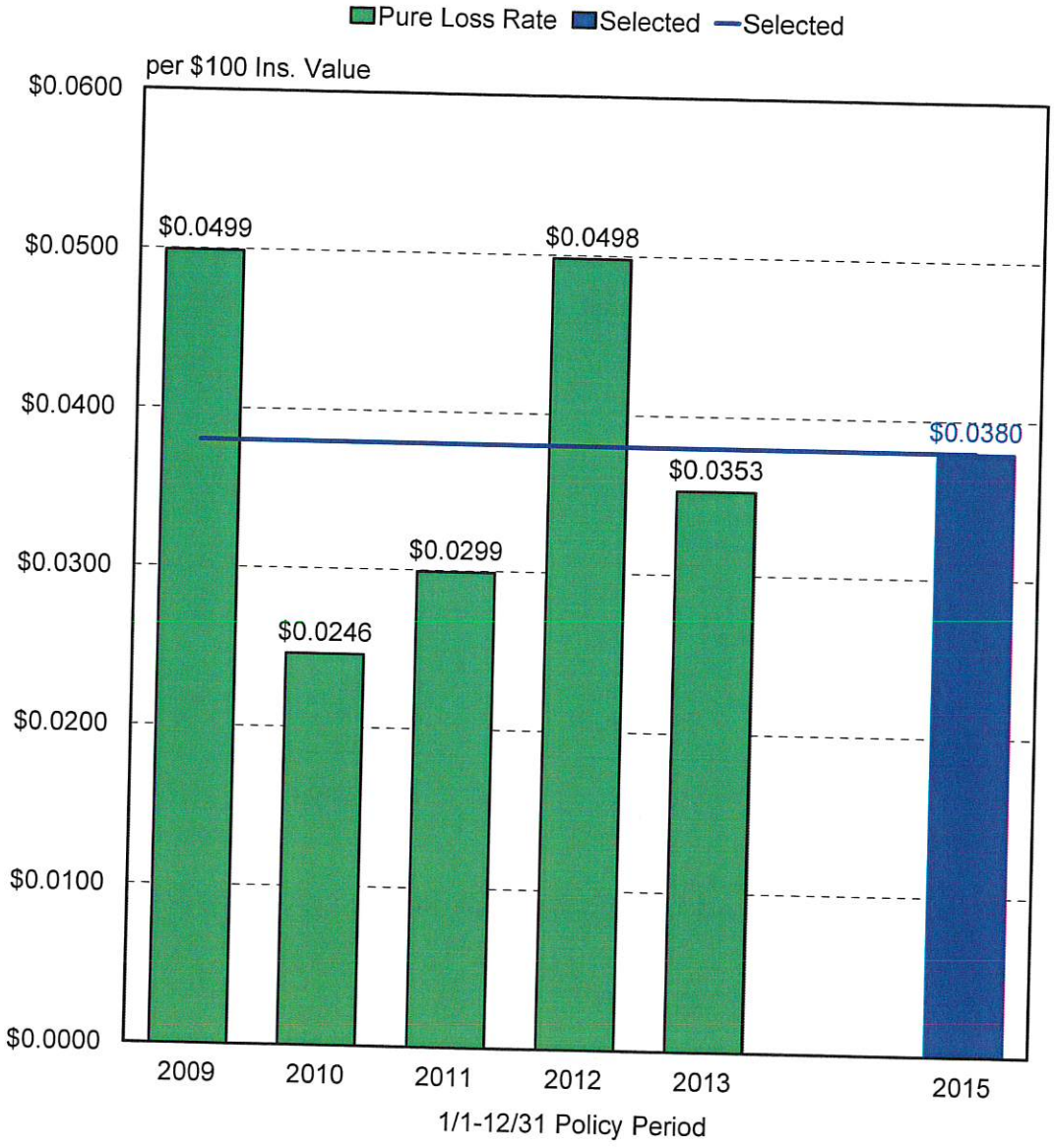


Table 20

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

PREMIUM INDICATION FOR 1/1-12/31/15 BY COVERAGE
(Gross of Deductible)

			General Liability	Automobile Liability	Property	Total
A.	LOSS PROJECTION*		$1,790,000	$ 260,000	$ 590,000	$2,640,000
B.	FIXED EXPENSES**		$1,610,000	$ 230,000	$ 680,000	$2,520,000
C.	INDICATED PREMIUM UNDISCOUNTED A + B		$3,400,000	$ 490,000	$1,270,000	$5,160,000
D.	CURRENT PREMIUM#					$4,500,241
E.	UNDISCOUNTED PREMIUM INDICATION C/D - 1					+14.7%
F.	LOSS PRESENT VALUE FACTOR##		0.973	0.990	0.995	0.980
G.	PREMIUM PRESENT VALUE FACTOR^	1.000				
H.	INDICATED PREMIUM DISC. AT 0.7% PER ANNUM [A x F + B]/G		$3,350,000	$ 490,000	$1,270,000	$5,110,000
I.	DISC. PREMIUM INDICATION AT 0.7% PER ANNUM H/D - 1					+13.5%

* See Section B of Tables 7, 14, and 19.
** See Appendix B, Exhibit III.
\# Provided by UCIP.
See Appendix B, Exhibit IV.
^ See Appendix B, Exhibit V.

Table 21

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

PREMIUM INDICATION FOR 1/1-12/31/15 BY CONFIDENCE LEVEL
(Gross of Deductible)

			Confidence Level					
			30%	Expected	70%	80%	90%	95%
A.	LOSS PROJECTION*		$2,400,000	$2,640,000	$2,830,000	$2,980,000	$3,190,000	$3,380,000
B.	FIXED EXPENSES**	$2,520,000						
C.	INDICATED UNDISCOUNTED PREMIUM A + B		$4,920,000	$5,160,000	$5,350,000	$5,500,000	$5,710,000	$5,900,000
D.	CURRENT PREMIUM#	$4,500,241						
E.	UNDISCOUNTED PREMIUM INDICATION C/D - 1		+ 9.3%	+14.7%	+18.9%	+22.2%	+26.9%	+31.1%
F.	LOSS PRESENT VALUE FACTOR	0.980						
G.	PREMIUM PRESENT VALUE FACTOR	1.000						
H.	INDICATED PREMIUM DISC. AT 0.7% PER ANNUM [A x F + B]/G		$4,870,000	$5,110,000	$5,290,000	$5,440,000	$5,650,000	$5,830,000
I.	DISC. PREMIUM INDICATION AT 0.7% PER ANNUM H/D - 1		+ 8.2%	+13.5%	+17.5%	+20.9%	+25.5%	+29.5%

* See Appendix B, Exhibit VI.
** See Appendix B, Exhibit III.
\# Provided by UCIP.

Appendix B, Exhibit III

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

ESTIMATED EXPENSES FOR 1/1-12/31/15

Expense	General Liability	Automobile Liability	Property	Total	Percent of Premium
Reinsurance*	$ 838,100	$ 121,700	$ 425,700	$1,385,500	30.8%
Other Fixed Expenses#	773,000	112,000	255,000	1,140,000	25.3%
Fixed Expenses	$1,611,100	$ 233,700	$ 680,700	$2,525,500	56.1%

* Provided by UCIP. Liability allocation based on projected losses.
\# Total provided by UCIP. Allocated based on projected losses.

CONFIDENTIAL. Intended only for the use of the UCIP Board of Trustees and contains information that is confidential, privileged and exempt from disclosure under application law.
Disclosure, copying, distribution or use of any of the information contained in this file is strictly PROHIBITED.

2015 CONTRIBUTIONS based on 2014 RATES

	Percent Change in Reported Exposures			Exposure Only Contribution		Allocation Including: Crime, Cyber, $5mm	
	Property $0.105	Auto $285.00	Liability $4.505	2015 Contribution	Percent Increase	2015 Contribution	Percent Increase
BEAVER	7%	-4%	2%	**104,428**	3%	**110,716**	9%
BOX ELDER	22%	1%	6%	**245,103**	8%	**261,510**	16%
DAGGETT	45%	-2%	0%	**53,542**	11%	**56,842**	18%
DAVIS	1%	-3%	1%	**577,921**	14%	**617,487**	22%
DUCHESNE	15%	1%	20%	**154,949**	13%	**164,202**	19%
EMERY	4%	4%	-2%	**146,469**	2%	**153,454**	7%
GARFIELD	1%	-1%	-1%	**123,834**	-1%	**132,310**	6%
IRON	2%	2%	0%	**249,574**	1%	**266,163**	8%
JUAB	2%	2%	45%	**128,373**	12%	**134,083**	17%
KANE	1%	6%	9%	**135,486**	6%	**145,963**	14%
MILLARD	2%	-2%	21%	**201,090**	9%	**215,256**	17%
MORGAN	2%	-2%	-1%	**57,255**	0%	**60,888**	6%
PIUTE	5%	0%	29%	**22,155**	10%	**23,287**	16%
RICH	3%	-15%	0%	**37,549**	-4%	**40,178**	2%
SAN JUAN	8%	2%	-9%	**187,880**	-1%	**198,323**	4%
SANPETE	0%	-12%	-4%	**99,126**	-5%	**105,797**	1%
SEVIER	10%	4%	6%	**154,517**	7%	**164,240**	13%
UINTAH	16%	6%	-2%	**315,982**	6%	**337,827**	13%
WASATCH	3%	8%	2%	**231,757**	3%	**245,764**	10%
WASHINGTON	1%	5%	5%	**359,130**	4%	**386,169**	12%
WAYNE	6%	3%	12%	**54,983**	7%	**58,042**	13%
WEBER	4%	-2%	-6%	**703,876**	-1%	**748,214**	5%
UCIP	0%	0%	-12%	**5,096**	-11%	**5,779**	1%
CENTRAL	-17%	21%	-11%	**23,784**	-7%	**26,028**	2%
SOUTHEASTERN	7%	-6%	-14%	**21,768**	-9%	**23,764**	-1%
SOUTHWEST	2%	0%	1%	**37,703**	1%	**40,966**	10%
TRICOUNTY	-2%	0%	-3%	**17,871**	-2%	**19,248**	5%
WASATCH	4%	20%	5%	**11,269**	7%	**12,548**	19%
WEBER-MORGAN	8%	0%	-6%	**39,366**	-5%	**43,373**	5%
WASHINGTON IA	0%	0%	0%	**60,856**	0%	**62,574**	3%
Average Increase:	5%	1%	3%				
TOTAL:				**$4,562,691**		**$4,860,997**	
EXPECTED:				**$5,160,000**		**$5,160,000**	
LOSS:				**-$597,309**		**-$299,003**	
Change in Contribution:				$191,547		$489,853	

CONFIDENTIAL. Intended only for the use of the UCIP Board of Trustees and contains information that is confidential, privileged and exempt from disclosure under application law.
Disclosure, copying, distribution or use of any of the information contained in this file is strictly PROHIBITED.

2015 CONTRIBUTION based on 2015 RATES

	Percent Change in Reported Exposures					Allocation Including: Crime, Cyber, $5mm	
	Property	Auto	Liability	Crime	Cyber	2015 Contribution	Percent Increase $$
BEAVER	7%	-4%	2%	2%	0%	**116,864**	15%
BOX ELDER	22%	1%	6%	6%	0%	**278,293**	23%
DAGGETT	45%	-2%	0%	0%	-10%	**60,132**	25%
DAVIS	1%	-3%	1%	1%	-29%	**657,138**	30%
DUCHESNE	15%	1%	20%	20%	0%	**173,334**	26%
EMERY	4%	4%	-2%	-2%	0%	**160,569**	12%
GARFIELD	1%	-1%	-1%	-1%	0%	**141,059**	13%
IRON	2%	2%	0%	0%	-3%	**283,013**	15%
JUAB	2%	2%	45%	45%	3%	**139,823**	22%
KANE	1%	6%	9%	9%	0%	**156,694**	23%
MILLARD	2%	-2%	21%	21%	2%	**229,784**	25%
MORGAN	2%	-2%	-1%	-1%	0%	**64,573**	12%
PIUTE	5%	0%	29%	29%	0%	**24,361**	21%
RICH	3%	-15%	0%	0%	0%	**42,855**	9%
SAN JUAN	8%	2%	-9%	-9%	-3%	**208,802**	10%
SANPETE	0%	-12%	-4%	-4%	3%	**112,459**	8%
SEVIER	10%	4%	6%	6%	0%	**174,007**	20%
UINTAH	16%	6%	-2%	-2%	0%	**360,135**	20%
WASATCH	3%	8%	2%	2%	5%	**259,695**	16%
WASHINGTON	1%	5%	5%	5%	3%	**413,290**	20%
WAYNE	6%	3%	12%	12%	0%	**61,167**	19%
WEBER	4%	-2%	-6%	-6%	1%	**791,887**	12%
UCIP	0%	0%	-12%	-12%	0%	**6,488**	13%
CENTRAL	-17%	21%	-11%	-11%	0%	**28,228**	11%
SOUTHEASTERN	7%	-6%	-14%	-14%	0%	**25,687**	7%
SOUTHWEST	2%	0%	1%	1%	0%	**44,190**	19%
TRICOUNTY	-2%	0%	-3%	-3%	0%	**20,597**	13%
WASATCH	4%	20%	5%	5%	0%	**13,841**	31%
WEBER-MORGAN	8%	0%	-6%	-6%	6%	**47,249**	14%
WASHINGTON IA	0%	0%	0%	0%	0%	**64,345**	6%
Average Change:	5%	1%	3%	3%	-1%		
TOTAL:						**$5,160,560**	
EXPECTED:						**$5,160,000**	
GAIN:						**$560**	
Change in Contribution:						$789,417	

CONFIDENTIAL. Intended only for the use of the UCIP Board of Trustees and contains information that is confidential, privileged and exempt from disclosure under application law.
Disclosure, copying, distribution or use of any of the information contained in this file is strictly PROHIBITED.

2015 CONTRIBUTIONS

Contribution by Line

	Property $0.105	Auto $285.00	Liability $5.162	Liability $0.55	Crime $0.054	Cyber $6.00	2015 Contribution
BEAVER	43,747	18,525	48,304	5,147	505	636	**116,864**
BOX ELDER	63,617	66,405	131,864	14,050	1,379	978	**278,293**
DAGGETT	18,159	12,825	25,848	2,754	270	276	**60,132**
DAVIS	242,768	63,270	311,534	33,193	3,259	3,114	**657,138**
DUCHESNE	52,717	39,615	71,749	7,645	751	858	**173,334**
EMERY	57,783	39,900	55,901	5,956	585	444	**160,569**
GARFIELD	33,917	29,925	68,742	7,324	719	432	**141,059**
IRON	71,618	62,415	132,391	14,106	1,385	1,098	**283,013**
JUAB	48,541	40,470	45,103	4,806	472	432	**139,823**
KANE	35,685	26,220	84,312	8,983	882	612	**156,694**
MILLARD	54,732	46,740	114,145	12,162	1,194	810	**229,784**
MORGAN	19,164	12,825	28,951	3,085	303	246	**64,573**
PIUTE	7,662	7,125	8,442	899	88	144	**24,361**
RICH	7,793	11,400	21,033	2,241	220	168	**42,855**
SAN JUAN	51,619	64,410	82,329	8,772	861	810	**208,802**
SANPETE	30,074	23,370	52,344	5,577	548	546	**112,459**
SEVIER	47,075	40,470	76,740	8,176	803	744	**174,007**
UINTAH	120,842	42,180	175,267	18,674	1,833	1,338	**360,135**
WASATCH	89,207	47,025	109,456	11,662	1,145	1,200	**259,695**
WASHINGTON	111,890	61,275	213,086	22,704	2,229	2,106	**413,290**
WAYNE	13,035	20,520	24,553	2,616	257	186	**61,167**
WEBER	330,027	74,385	343,137	36,561	3,590	4,188	**791,887**
UCIP	231	0	5,575	594	58	30	**6,488**
CENTRAL	3,855	4,845	17,284	1,842	181	222	**28,228**
SOUTHEASTERN	4,022	4,560	15,109	1,610	158	228	**25,687**
SOUTHWEST	10,752	4,845	25,329	2,699	265	300	**44,190**
TRICOUNTY	4,921	3,705	10,593	1,129	111	138	**20,597**
WASATCH	692	1,710	10,160	1,082	106	90	**13,841**
WEBER-MORGAN	5,377	7,410	30,454	3,245	319	444	**47,249**
WASHINGTON IA	48,713	0	13,914	1,482	146	90	**64,345**
By Line:	1,630,234	878,370	2,353,650	250,776	24,622	22,908	
TOTAL:							**$5,160,560**
EXPECTED:							**$5,160,000**
GAIN:							**$560**
Change in Contribution:							$789,417

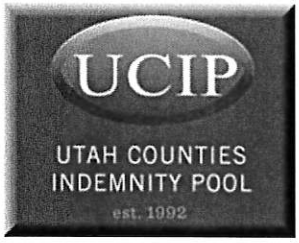
Note: Liability Rate Change = 14.58%

CONFIDENTIAL. Intended only for the use of the UCIP Board of Trustees and contains information that is confidential, privileged and exempt from disclosure under application law.
Disclosure, copying, distribution or use of any of the information contained in this file is strictly PROHIBITED.

2015 CONTRIBUTIONS

Contribution by Line

	Property $0.105	Auto $285.00	Liability $5.162	Liability $0.55	Crime $0.054	Cyber $6.00	2015 Contribution
BEAVER	43,747	18,525	48,304	5,147	505	636	**116,864**
BOX ELDER	63,617	66,405	131,864	14,050	1,379	978	**278,293**
DAGGETT	18,159	12,825	25,848	2,754	270	276	**60,132**
DAVIS	174,353	63,270	311,534	33,193	3,259	3,114	**588,723**
DUCHESNE	52,717	39,615	71,749	7,645	751	858	**173,334**
EMERY	57,783	39,900	55,901	5,956	585	444	**160,569**
GARFIELD	33,917	29,925	68,742	7,324	719	432	**141,059**
IRON	71,618	62,415	132,391	14,106	1,385	1,098	**283,013**
JUAB	48,541	40,470	45,103	4,806	472	432	**139,823**
KANE	35,685	26,220	84,312	8,983	882	612	**156,694**
MILLARD	54,732	46,740	114,145	12,162	1,194	810	**229,784**
MORGAN	19,164	12,825	28,951	3,085	303	246	**64,573**
PIUTE	7,662	7,125	8,442	899	88	144	**24,361**
RICH	7,793	11,400	21,033	2,241	220	168	**42,855**
SAN JUAN	51,619	64,410	82,329	8,772	861	810	**208,802**
SANPETE	30,074	23,370	52,344	5,577	548	546	**112,459**
SEVIER	47,075	40,470	76,740	8,176	803	744	**174,007**
UINTAH	120,842	42,180	175,267	18,674	1,833	1,338	**360,135**
WASATCH	89,207	47,025	109,456	11,662	1,145	1,200	**259,695**
WASHINGTON	111,890	61,275	213,086	22,704	2,229	2,106	**413,290**
WAYNE	13,035	20,520	24,553	2,616	257	186	**61,167**
WEBER	330,027	74,385	343,137	36,561	3,590	4,188	**791,887**
UCIP	231	0	5,575	594	58	30	**6,488**
CENTRAL	3,855	4,845	17,284	1,842	181	222	**28,228**
SOUTHEASTERN	4,022	4,560	15,109	1,610	158	228	**25,687**
SOUTHWEST	10,752	4,845	25,329	2,699	265	300	**44,190**
TRICOUNTY	4,921	3,705	10,593	1,129	111	138	**20,597**
WASATCH	692	1,710	10,160	1,082	106	90	**13,841**
WEBER-MORGAN	5,377	7,410	30,454	3,245	319	444	**47,249**
WASHINGTON IA	48,713	0	13,914	1,482	146	90	**64,345**
By Line:	1,561,819	878,370	2,353,650	250,776	24,622	22,908	
TOTAL:							**$5,092,145**
EXPECTED:							**$5,091,585**
GAIN:							**$560**
Change in Contribution:							$721,002



Board of Trustees Meeting

August 21, 2014

INDICATED PREMIUM FOR 1/1-12/31/15

	Undiscounted for Investment Income					
	30%	Expected	70%	80%	90%	95%
Indicated Premium	$4,920,000	$5,160,000	$5,350,000	$5,500,000	$5,710,000	$5,900,000
Estimated Premium	4,500,241					
Premium Indication	+ 9.3%	+14.7%	+18.9%	+22.2%	+26.9%	+31.1%

	Discounted for Investment Income at 0.7% per Annum					
	30%	Expected	70%	80%	90%	95%
Indicated Premium	$4,870,000	$5,110,000	$5,290,000	$5,440,000	$5,650,000	$5,830,000
Estimated Premium	4,500,241					
Premium Indication	+ 8.2%	+13.5%	+17.5%	+20.9%	+25.5%	+29.5%

By The Numbers Actuarial Consulting, Inc.

UCIP

COMPARISON OF LOSS PROJECTIONS TO PRIOR REPORT

Coverage	Report	Pure Loss Rate	Exposure		Projected Losses
General Liability	Current	$3.90	$ 459,300	^	$ 1,790,000
	Prior	3.15	510,583		1,610,000
	Change	+23.8%	-10.0%		+11.2%
Auto Liability	Current	$ 85	3,079	*	$ 260,000
	Prior	110	3,467		380,000
	Change	-22.7%	-11.2%		-31.6%
Property	Current	$0.0380	$15,498,580	~	$ 590,000
	Prior	0.0440	17,088,760		750,000
	Change	-13.6%	- 9.3%		-21.3%
Total	Current	----	----		$ 2,640,000
	Prior	----	----		2,740,000
	Change	+ 7.1%	-10.0%		- 3.6%

^ Expenditures (1,000).
* Vehicles.
~ Insured value (100).

UCIP

GENERAL LIABILITY

ESTIMATED ULTIMATE INCURRED LOSSES
INCURRED LOSS DEVELOPMENT
(Net of Recoveries)

A. LOSSES LIMITED TO $250,000

Policy Period	Incurred Losses as of 6/30/14	Number of Claims in Excess of $250,000	Incurred Losses in Excess of $250,000	Limited Incurred Losses as of 6/30/14
1/1-12/31/09	$2,269,688	4	$ 326,241	$1,943,447
1/1-12/31/10	2,489,267	1	125,000	2,364,267
1/1-12/31/11	1,871,389	1	420,000	1,451,389
1/1-12/31/12	2,061,518	2	250,000	1,811,518
1/1-12/31/13	1,249,156	0	0	1,249,156
Total	$9,941,018	8	$1,121,241	$8,819,777

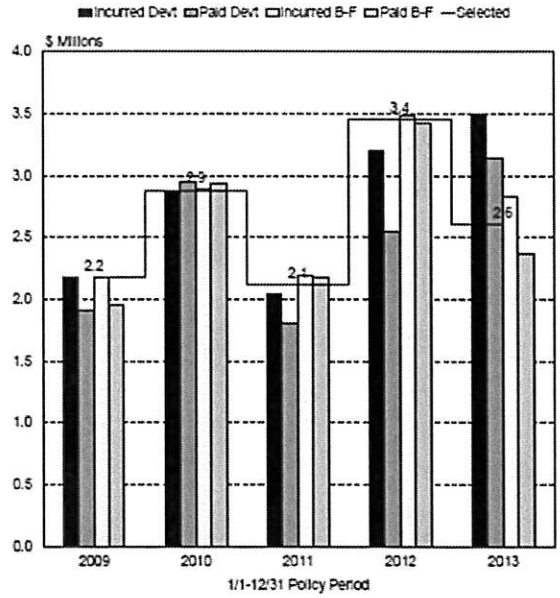
B. ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Limited Incurred Losses as of 6/30/14	Age of Policy Period in Months	Incurred Loss Development Factor*	Estimated Ultimate Incurred Losses
1/1-12/31/09	$1,943,447	66.0	1.118	$ 2,172,774
1/1-12/31/10	2,364,267	54.0	1.216	2,874,949
1/1-12/31/11	1,451,389	42.0	1.491	2,041,271 ^
1/1-12/31/12	1,811,518	30.0	2.063	3,205,662 ^
1/1-12/31/13	1,249,156	18.0	3.235	3,497,020 ~
Total	$8,819,777			$13,791,676

UCIP

GENERAL LIABILITY

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES
(Limited to $250,000)



UCIP

GENERAL LIABILITY

COST LEVEL ADJUSTMENT
(Limited to $250,000)

A. LOSSES ADJUSTED TO 1/1-12/31/15

Policy Period	Estimated Ultimate Incurred Losses	Loss Trend Factor*	Adjusted Losses#
1/1-12/31/09	$ 2,173,467	1.200	$ 2,388,160
1/1-12/31/10	2,879,303	1.169	3,315,693
1/1-12/31/11	2,116,001	1.131	2,360,447
1/1-12/31/12	3,447,281	1.093	3,721,378
1/1-12/31/13	2,604,241	1.060	2,760,495
Total	$13,220,293		$14,546,173

B. EXPOSURE ADJUSTED TO 1/1-12/31/15

Policy Period	Expenditures ($1,000s)	Exposure Trend Factor^	Adjusted Expenditures ($1,000s)
1/1-12/31/09	$ 659,039	1.195	$ 787,552
1/1-12/31/10	677,708	1.160	786,141
1/1-12/31/11	669,118	1.126	753,427
1/1-12/31/12	737,032	1.093	805,576
1/1-12/31/13	573,138	1.061	608,099
Total	$3,316,035		$3,740,795

UCIP

GENERAL LIABILITY

PROJECTED LOSSES FOR 1/1-12/31/15
(Limited to $250,000)

A. PURE LOSS RATES

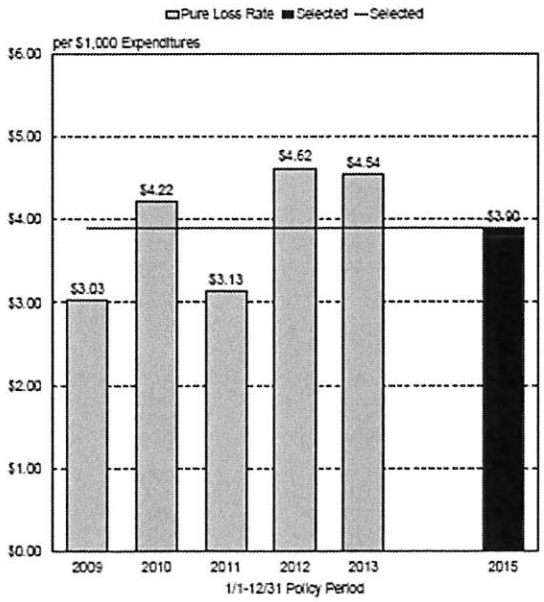
Policy Period	Adjusted Losses	Adjusted Expenditures ($1,000s)	Pure Loss Rate per $1,000 Expenditures
1/1-12/31/09	$ 2,388,160	$ 787,552	$3.03
1/1-12/31/10	3,315,693	786,141	4.22
1/1-12/31/11	2,360,447	753,427	3.13
1/1-12/31/12	3,721,378	805,576	4.62
1/1-12/31/13	2,760,495	608,099	4.54
Total	$14,546,173	$3,740,795	
		Average	$3.91
		Wtd Average	3.89
		3 Yr Average	4.10
		5 Yr Mid Average	3.96
		Prior	3.15
		Selected^	3.90

B. PROJECTED LOSSES

Policy Period	Selected Pure Loss Rate	Projected Expenditures ($1,000s)	Projected Losses
1/1-12/31/15	$3.90	$ 459,300 #	$1,790,000

GENERAL LIABILITY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/15 COST LEVEL
(Limited to $250,000)



AUTO LIABILITY

PROJECTED LOSSES FOR 1/1-12/31/15
(Limited to $250,000)

A. PURE LOSS RATES

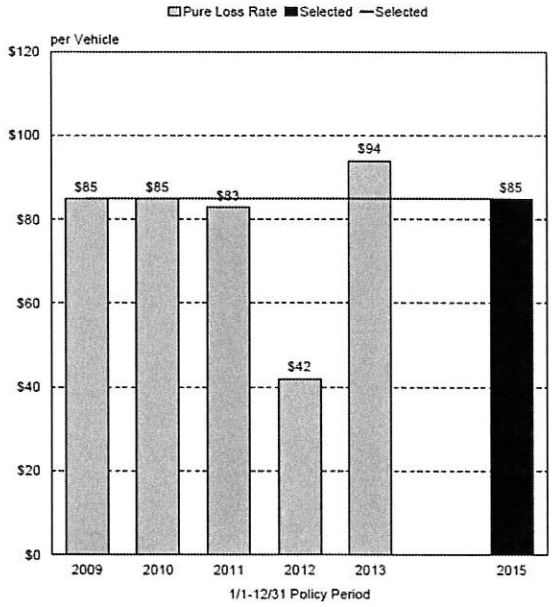
Policy Period	Adjusted Losses	Vehicles	Pure Loss Rate per Vehicle
1/1-12/31/09	$ 357,655	4,229	$ 85
1/1-12/31/10	349,545	4,092	85
1/1-12/31/11	346,895	4,159	83
1/1-12/31/12	175,464	4,202	42
1/1-12/31/13	329,429	3,503	94
Total	$1,558,988	20,185	
		Average	$ 78
		Wtd Average	77
		3 Yr Average	73
		5 Yr Mid Average	84
		Prior	110
		Selected^	85

B. PROJECTED LOSSES

Policy Period	Selected Pure Loss Rate	Projected Vehicles	Projected Losses
1/1-12/31/15	$ 85	3,079 #	$ 260,000

AUTO LIABILITY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/15 COST LEVEL
(Limited to $250,000)



PROPERTY

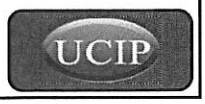
PROJECTED LOSSES FOR 1/1-12/31/15
(Limited to $250,000)

A. PURE LOSS RATES

Policy Period	Adjusted Losses	Adjusted Insured Value ($100s)	Pure Loss Rate per $100 Ins. Value
1/1-12/31/09	$ 809,191	$16,208,018	$0.0499
1/1-12/31/10	410,079	16,683,957	0.0246
1/1-12/31/11	513,228	17,150,453	0.0299
1/1-12/31/12	874,043	17,553,026	0.0498
1/1-12/31/13	534,369	15,120,996	0.0353
Total	$3,140,910	$82,716,450	
		Average	$0.0379
		Wtd Average	0.0380
		3 Yr Average	0.0383
		5 Yr Mid Average	0.0383
		Prior	0.0440
		Selected*	0.0380

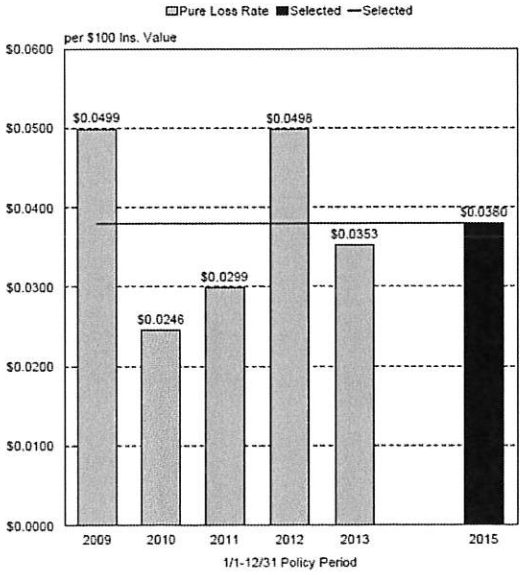
B. PROJECTED LOSSES

Policy Period	Selected Pure Loss Rate	Projected Ins. Value ($100s)	Projected Losses
1/1-12/31/15	$0.0380	$15,498,580 #	$ 590,000



PROPERTY

PURE LOSS RATES ADJUSTED TO A 1/1-12/31/15 COST LEVEL
(Limited to $250,000 Excluding Davis County Building and Contents)



PREMIUM INDICATION FOR 1/1-12/31/15 BY COVERAGE
(Gross of Deductible)

			General Liability	Automobile Liability	Property	Total
A.	LOSS PROJECTION*		$1,790,000	$ 260,000	$ 590,000	$2,640,000
B.	FIXED EXPENSES**		$1,610,000	$ 230,000	$ 680,000	$2,520,000
C.	INDICATED PREMIUM UNDISCOUNTED A + B		$3,400,000	$ 490,000	$1,270,000	$5,160,000
D.	CURRENT PREMIUM#					$4,500,241
E.	UNDISCOUNTED PREMIUM INDICATION C/D - 1					+14.7%
F.	LOSS PRESENT VALUE FACTOR##		0.973	0.990	0.995	0.980
G.	PREMIUM PRESENT VALUE FACTOR^	1.000				
H.	INDICATED PREMIUM DISC. AT 0.7% PER ANNUM [A x F + B]/G		$3,350,000	$ 490,000	$1,270,000	$5,110,000
I.	DISC. PREMIUM INDICATION AT 0.7% PER ANNUM H/D - 1					+13.5%

UCIP

PREMIUM INDICATION FOR 1/1-12/31/15 BY CONFIDENCE LEVEL
(Gross of Deductible)

			Confidence Level					
			30%	Expected	70%	80%	90%	95%
A.	LOSS PROJECTION*		$2,400,000	$2,640,000	$2,830,000	$2,980,000	$3,190,000	$3,380,000
B.	FIXED EXPENSES**	$2,520,000						
C.	INDICATED UNDISCOUNTED PREMIUM A + B		$4,920,000	$5,160,000	$5,350,000	$5,500,000	$5,710,000	$5,900,000
D.	CURRENT PREMIUM#	$4,500,241						
E.	UNDISCOUNTED PREMIUM INDICATION C/D - 1		+ 9.3%	+14.7%	+18.9%	+22.2%	+26.9%	+31.1%
F.	LOSS PRESENT VALUE FACTOR	0.980						
G.	PREMIUM PRESENT VALUE FACTOR	1.000						
H.	INDICATED PREMIUM DISC. AT 0.7% PER ANNUM [A x F + B]/G		$4,870,000	$5,110,000	$5,290,000	$5,440,000	$5,650,000	$5,830,000
I.	DISC. PREMIUM INDICATION AT 0.7% PER ANNUM H/D - 1		+ 8.2%	+13.5%	+17.5%	+20.9%	+25.5%	+29.5%

UCIP

ESTIMATED EXPENSES FOR 1/1-12/31/15

Expense	General Liability	Automobile Liability	Property	Total	Percent of Premium
Reinsurance*	$ 838,100	$ 121,700	$ 425,700	$1,385,500	30.8%
Other Fixed Expenses#	773,000	112,000	255,000	1,140,000	25.3%
Fixed Expenses	$1,611,100	$ 233,700	$ 680,700	$2,525,500	56.1%

UCIP

2015 CONTRIBUTIONS based on 2014 RATES

	Percent Change in Reported Exposures			Exposure Only Contribution		Allocation Including: Crime, Cyber, $5mm	
	Property $0.105	Auto $285.00	Liability $4.505	2015 Contribution	Percent Increase	2015 Contribution	Percent Increase
BEAVER	7%	-4%	2%	104,428	3%	110,716	9%
BOX ELDER	22%	1%	6%	245,103	8%	261,510	16%
DAGGETT	45%	-2%	0%	53,542	11%	56,842	18%
DAVIS	1%	-3%	1%	577,921	14%	617,487	22%
DUCHESNE	15%	1%	20%	154,949	13%	164,202	19%
EMERY	4%	4%	-2%	146,469	2%	153,454	7%
GARFIELD	1%	-1%	-1%	123,834	-1%	132,310	6%
IRON	2%	2%	0%	249,574	1%	266,163	8%
JUAB	2%	2%	45%	128,373	12%	134,083	17%
KANE	1%	6%	9%	135,486	6%	145,963	14%
MILLARD	2%	-2%	21%	201,090	9%	215,256	17%
MORGAN	2%	-2%	-1%	57,255	0%	60,888	6%
PIUTE	5%	0%	29%	22,155	10%	23,287	16%
RICH	3%	-15%	0%	37,549	-4%	40,178	2%
SAN JUAN	8%	2%	-9%	187,880	-1%	198,323	4%
SANPETE	0%	-12%	-4%	99,126	-5%	105,797	1%
SEVIER	10%	4%	6%	154,517	7%	164,240	13%
UINTAH	16%	6%	-2%	315,982	6%	337,827	13%
WASATCH	3%	8%	2%	231,757	3%	245,764	10%
WASHINGTON	1%	5%	5%	359,130	4%	386,169	12%
WAYNE	6%	3%	12%	54,983	7%	58,042	13%
WEBER	4%	-2%	-6%	703,876	-1%	748,214	5%
UCIP	0%	0%	-12%	5,096	-11%	5,779	1%
CENTRAL	-17%	21%	-11%	23,784	-7%	26,028	2%
SOUTHEASTERN	7%	-6%	-14%	21,768	-9%	23,764	-1%
SOUTHWEST	2%	0%	1%	37,703	1%	40,966	10%
TRICOUNTY	-2%	0%	-3%	17,871	-2%	19,248	5%
WASATCH	4%	20%	5%	11,269	7%	12,548	19%
WEBER-MORGAN	8%	0%	-6%	39,366	-5%	43,373	5%
WASHINGTON IA	0%	0%	0%	60,856	0%	62,574	3%
Average Increase:	5%	1%	3%				
TOTAL:				$4,562,691		$4,860,997	
EXPECTED:				$5,160,000		$5,160,000	
LOSS:				-$597,309		-$299,003	
Change in Contribution:				$191,547		$489,853	

UCIP

2015 CONTRIBUTION based on 2015 RATES

	Percent Change in Reported Exposures					Allocation Including: Crime, Cyber, $5mm	
	Property	Auto	Liability	Crime	Cyber	2015 Contribution	Percent Increase $$
BEAVER	7%	-4%	2%	2%	0%	116,864	15%
BOX ELDER	22%	1%	6%	6%	0%	278,293	23%
DAGGETT	45%	-2%	0%	0%	-10%	60,132	25%
DAVIS	1%	-3%	1%	1%	-29%	657,138	30%
DUCHESNE	15%	1%	20%	20%	0%	173,334	26%
EMERY	4%	4%	-2%	-2%	0%	160,569	12%
GARFIELD	1%	-1%	-1%	-1%	0%	141,059	13%
IRON	2%	2%	0%	0%	-3%	283,013	15%
JUAB	2%	2%	45%	45%	3%	139,823	22%
KANE	1%	6%	9%	9%	0%	156,694	23%
MILLARD	2%	-2%	21%	21%	2%	229,784	25%
MORGAN	2%	-2%	-1%	-1%	0%	64,573	12%
PIUTE	5%	0%	29%	29%	0%	24,361	21%
RICH	3%	-15%	0%	0%	0%	42,855	9%
SAN JUAN	8%	2%	-9%	-9%	-3%	208,802	10%
SANPETE	0%	-12%	-4%	-4%	3%	112,459	8%
SEVIER	10%	4%	6%	6%	0%	174,007	20%
UINTAH	16%	6%	-2%	-2%	0%	360,135	20%
WASATCH	3%	8%	2%	2%	5%	259,695	16%
WASHINGTON	1%	5%	5%	5%	3%	413,290	20%
WAYNE	6%	3%	12%	12%	0%	61,167	19%
WEBER	4%	-2%	-6%	-6%	1%	791,887	12%
UCIP	0%	0%	-12%	-12%	0%	6,488	13%
CENTRAL	-17%	21%	-11%	-11%	0%	28,228	11%
SOUTHEASTERN	7%	-6%	-14%	-14%	0%	25,687	7%
SOUTHWEST	2%	0%	1%	1%	0%	44,190	19%
TRICOUNTY	-2%	0%	-3%	-3%	0%	20,597	13%
WASATCH	4%	20%	5%	5%	0%	13,841	31%
WEBER-MORGAN	8%	0%	-6%	-6%	6%	47,249	14%
WASHINGTON IA	0%	0%	0%	0%	0%	64,345	6%
Average Change:	5%	1%	3%	3%	-1%		
TOTAL:						$5,160,560	
EXPECTED:						$5,160,000	
GAIN:						$560	
Change in Contribution:						$789,417	

UCIP

2015 CONTRIBUTIONS

Contribution by Line

	Property $0.105	Auto $285.00	Liability $5.162	Liability $0.55	Crime $0.054	Cyber $6.00	2015 Contribution
BEAVER	43,747	18,525	48,304	5,147	505	636	116,864
BOX ELDER	63,617	66,405	131,864	14,050	1,379	978	278,293
DAGGETT	18,159	12,825	25,848	2,754	270	276	60,132
DAVIS	242,768	63,270	311,534	33,193	3,259	3,114	657,138
DUCHESNE	52,717	39,615	71,749	7,645	751	858	173,334
EMERY	57,783	39,900	55,901	5,956	585	444	160,569
GARFIELD	33,917	29,925	68,742	7,324	719	432	141,059
IRON	71,618	62,415	132,391	14,106	1,385	1,098	283,013
JUAB	48,541	40,470	45,103	4,806	472	432	139,823
KANE	35,685	26,220	84,312	8,983	882	612	156,694
MILLARD	54,732	46,740	114,145	12,162	1,194	810	229,784
MORGAN	19,164	12,825	28,951	3,085	303	246	64,573
PIUTE	7,662	7,125	8,442	899	88	144	24,361
RICH	7,793	11,400	21,033	2,241	220	168	42,855
SAN JUAN	51,619	64,410	82,329	8,772	861	810	208,802
SANPETE	30,074	23,370	52,344	5,577	548	546	112,459
SEVIER	47,075	40,470	76,740	8,176	803	744	174,007
UINTAH	120,842	42,180	175,267	18,674	1,833	1,338	360,135
WASATCH	89,207	47,025	109,456	11,662	1,145	1,200	259,695
WASHINGTON	111,890	61,275	213,086	22,704	2,229	2,106	413,290
WAYNE	13,035	20,520	24,553	2,616	257	186	61,167
WEBER	330,027	74,385	343,137	36,561	3,590	4,188	791,887
UCIP	231	0	5,575	594	58	30	6,488
CENTRAL	3,855	4,845	17,284	1,842	181	222	28,228
SOUTHEASTERN	4,022	4,560	15,109	1,610	158	228	25,687
SOUTHWEST	10,752	4,845	25,329	2,699	265	300	44,190
TRICOUNTY	4,921	3,705	10,593	1,129	111	138	20,597
WASATCH	692	1,710	10,160	1,082	106	90	13,841
WEBER-MORGAN	5,377	7,410	30,454	3,245	319	444	47,249
WASHINGTON IA	48,713	0	13,914	1,482	146	90	64,345
By Line:	1,630,234	878,370	2,353,650	250,776	24,622	22,908	
TOTAL:							$5,160,560
EXPECTED:							$5,160,000
GAIN:							$560
Change in Contribution:							$789,417

Note: Liability Rate Change = 14.58%

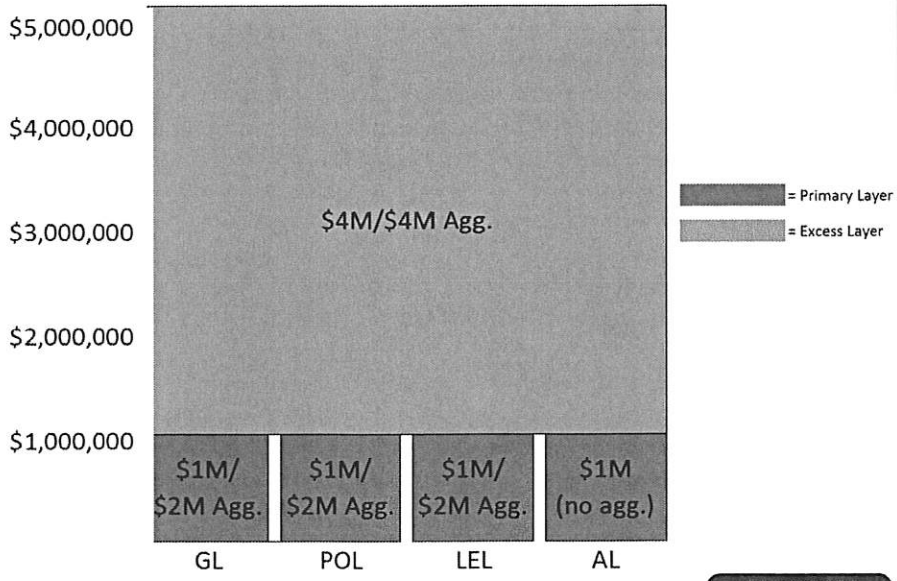
UCIP

2015 CONTRIBUTIONS

Contribution by Line

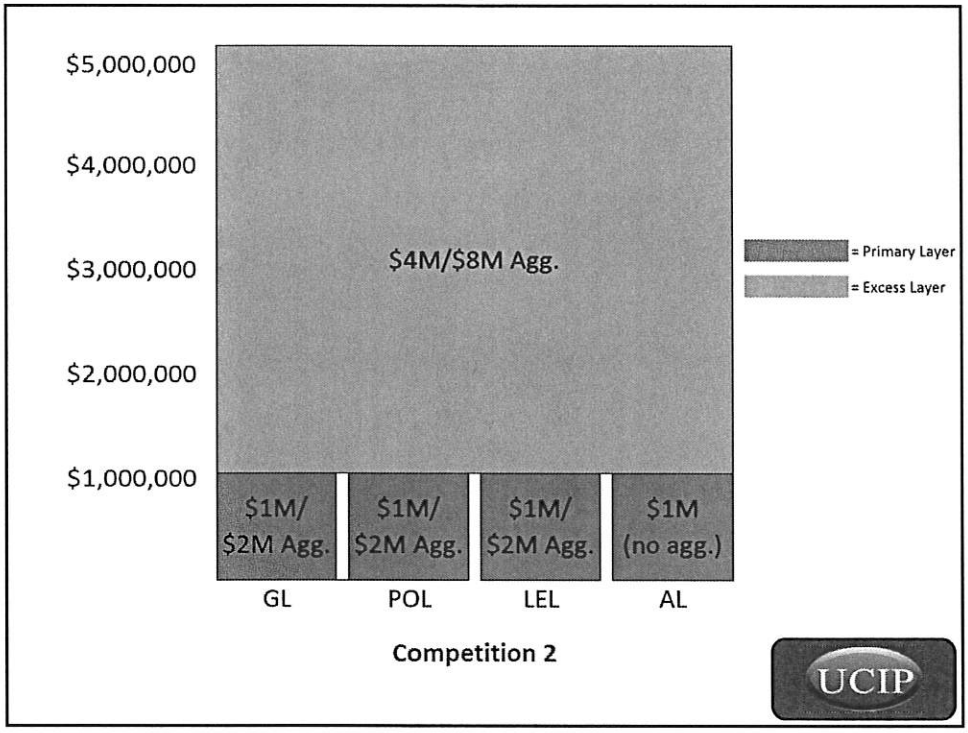
	Property $0.105	Auto $265.00	Liability $3.162	Liability $0.55	Crime $0.054	Cyber $8.00	2015 Contribution
BEAVER	43,747	18,525	48,304	5,147	505	636	116,864
BOX ELDER	63,617	66,405	131,864	14,050	1,379	978	278,293
DAGGETT	18,159	12,825	25,848	2,754	270	276	60,132
DAVIS	174,353	63,270	311,534	33,193	3,259	3,114	588,723
DUCHESNE	52,717	39,615	71,749	7,645	751	858	173,334
EMERY	57,783	39,900	55,901	5,956	585	444	160,569
GARFIELD	33,917	29,925	68,742	7,324	719	432	141,059
IRON	71,618	62,415	132,391	14,106	1,385	1,098	283,013
JUAB	48,541	40,470	45,103	4,806	472	432	139,823
KANE	35,685	26,220	84,312	8,983	882	612	156,694
MILLARD	54,732	46,740	114,145	12,162	1,194	810	229,784
MORGAN	19,164	12,825	28,951	3,085	303	246	64,573
PIUTE	7,662	7,125	8,442	899	88	144	24,361
RICH	7,793	11,400	21,033	2,241	220	168	42,855
SAN JUAN	51,619	64,410	82,329	8,772	861	810	208,802
SANPETE	30,074	23,370	52,344	5,577	548	546	112,459
SEVIER	47,075	40,470	76,740	8,176	803	744	174,007
UINTAH	120,842	42,180	175,267	18,674	1,833	1,338	360,135
WASATCH	89,207	47,025	109,456	11,662	1,145	1,200	259,695
WASHINGTON	111,890	61,275	213,086	22,704	2,229	2,106	413,290
WAYNE	13,035	20,520	24,553	2,616	257	186	61,167
WEBER	330,027	74,385	343,137	36,561	3,590	4,188	791,887
UCIP	231	0	5,575	594	58	30	6,488
CENTRAL	3,855	4,845	17,284	1,842	181	222	28,228
SOUTHEASTERN	4,022	4,560	15,109	1,610	158	228	25,687
SOUTHWEST	10,752	4,645	25,329	2,699	265	300	44,190
TRICOUNTY	4,921	3,705	10,593	1,129	111	138	20,597
WASATCH	692	1,710	10,160	1,082	106	90	13,841
WEBER-MORGAN	5,377	7,410	30,454	3,245	319	444	47,249
WASHINGTON IA	48,713	0	13,914	1,482	146	90	64,345
By Line:	1,561,819	878,370	2,353,650	250,776	24,622	22,908	
TOTAL:							$5,092,145
EXPECTED:							$5,091,585
GAIN:							$560
Change in Contribution:							$721,002

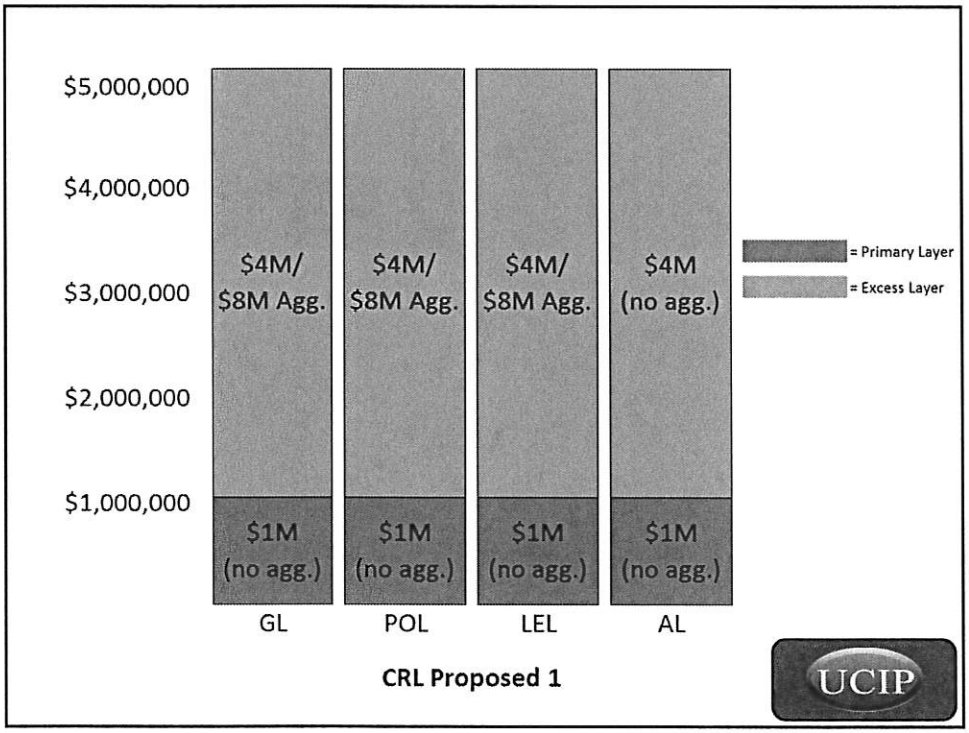
UCIP

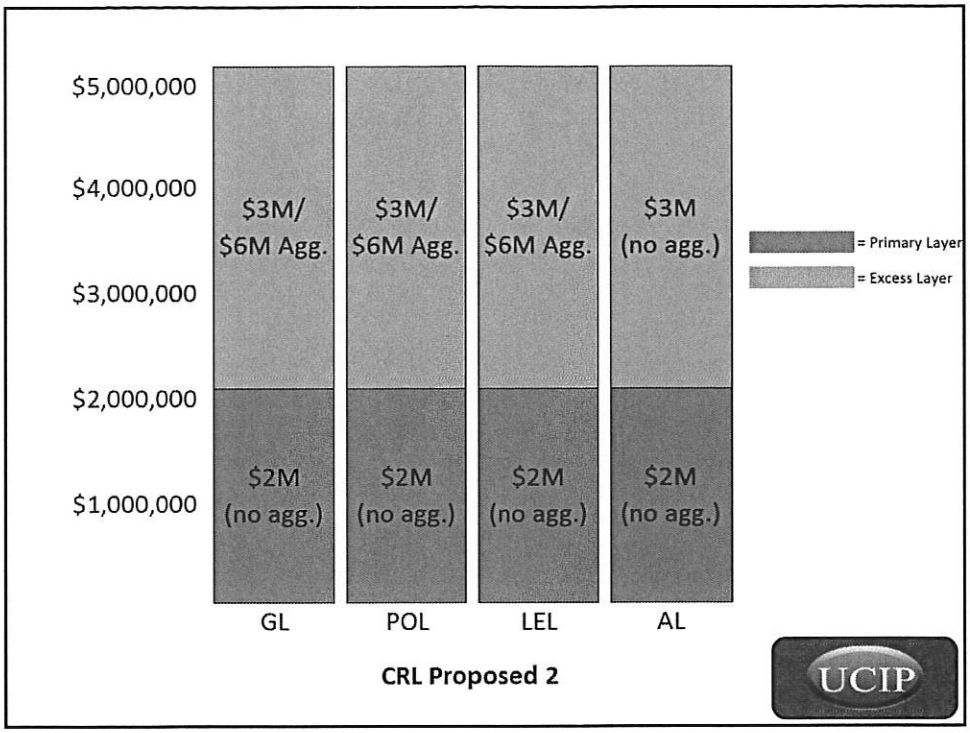


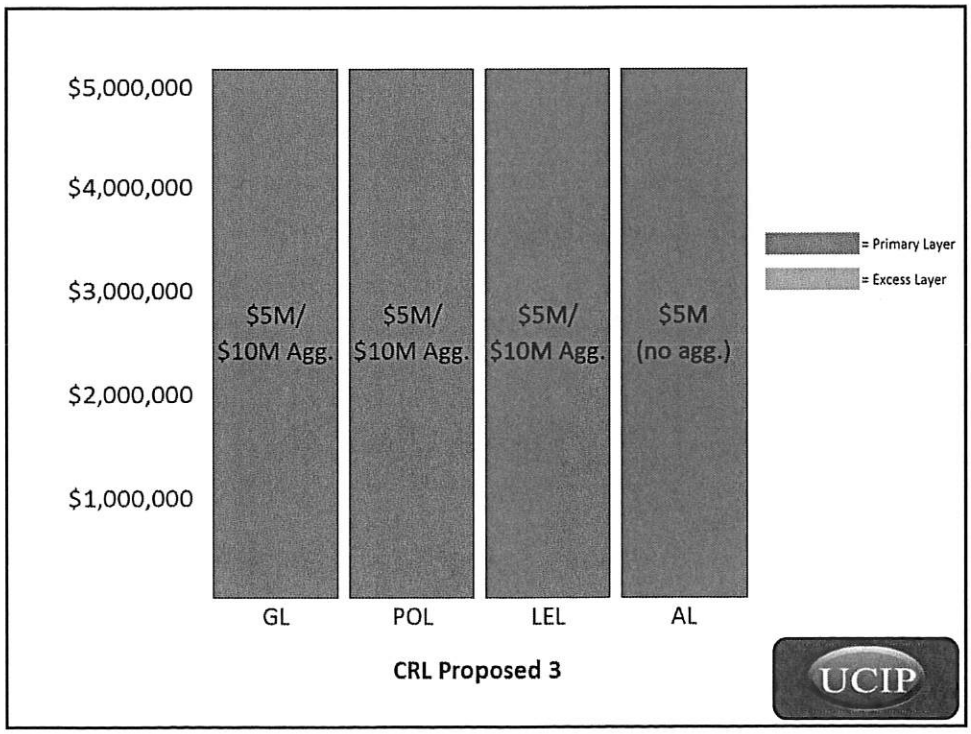
Competition 1

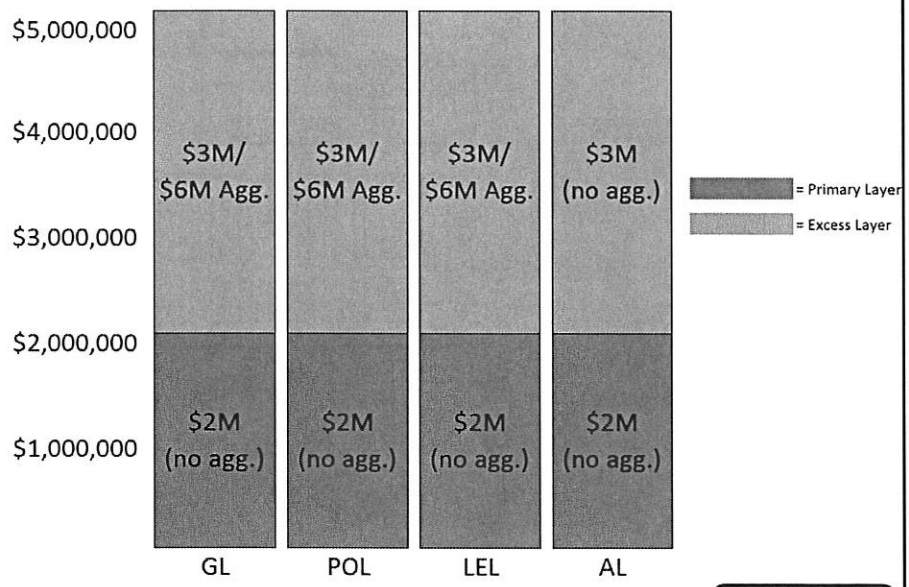
UCIP


$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$4M/$8M Agg.
$1M/ $2M Agg.
$1M/ $2M Agg.
$1M/ $2M Agg.
$1M (no agg.)
GL
POL
LEL
AL
= Primary Layer
= Excess Layer
Competition 2
UCIP


$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$4M/ $8M Agg.
$4M/ $8M Agg.
$4M/ $8M Agg.
$4M (no agg.)
$1M (no agg.)
$1M (no agg.)
$1M (no agg.)
$1M (no agg.)
GL
POL
LEL
AL
= Primary Layer
= Excess Layer
CRL Proposed 1
UCIP


$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$3M/ $6M Agg.
$3M/ $6M Agg.
$3M/ $6M Agg.
$3M (no agg.)
$2M (no agg.)
$2M (no agg.)
$2M (no agg.)
$2M (no agg.)
GL
POL
LEL
AL
= Primary Layer
= Excess Layer
CRL Proposed 2
UCIP


$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$5M/ $10M Agg.
$5M/ $10M Agg.
$5M/ $10M Agg.
$5M (no agg.)
GL
POL
LEL
AL
= Primary Layer
= Excess Layer
CRL Proposed 3
UCIP



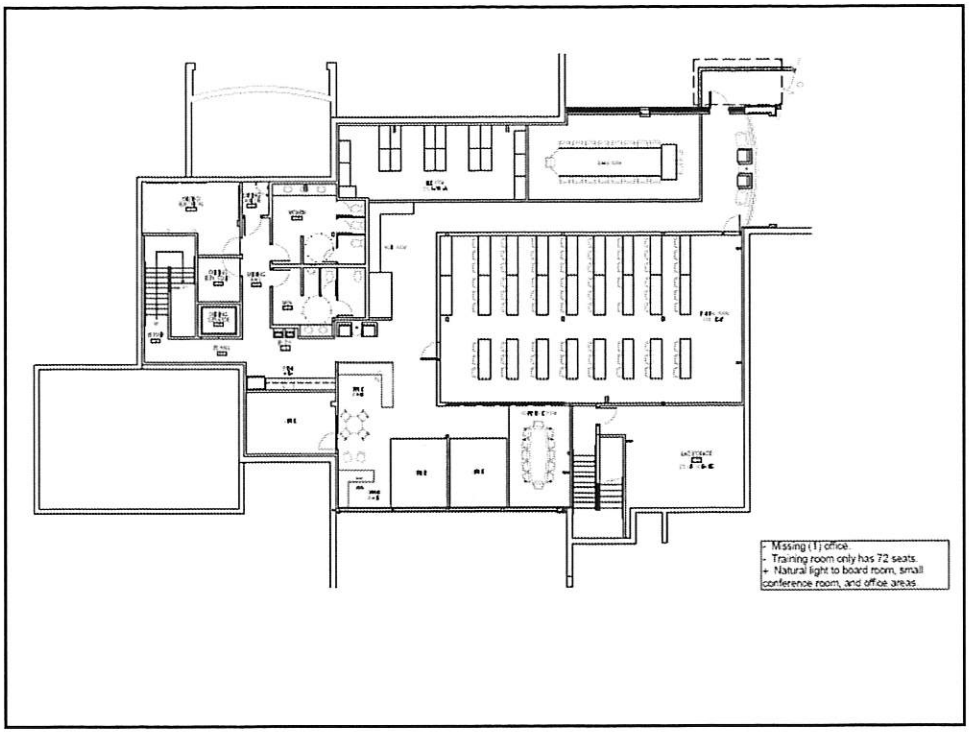
CRL Proposed 2

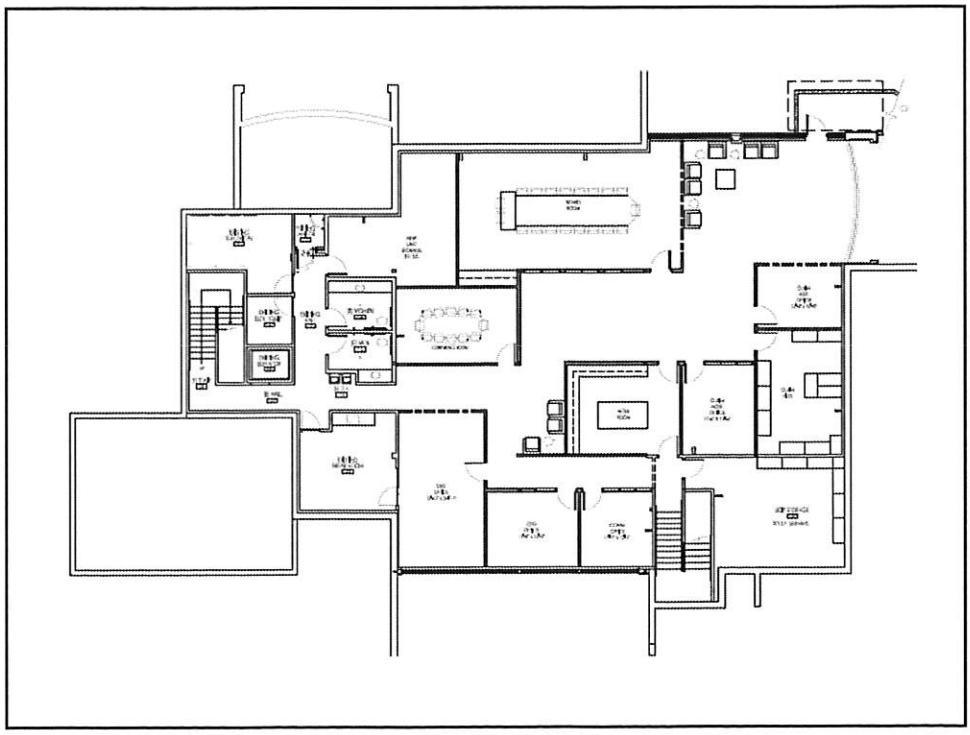
UCIP

CEO Report

- CRL Cyber Liability Training
- Duchesne County Meetings
- UAC Staff Luncheon
- UAC Building Progress

UCIP


- Missing (1) office.
- Training room only has 72 seats.
+ Natural light to board room, small conference room, and office areas.



CEO Report

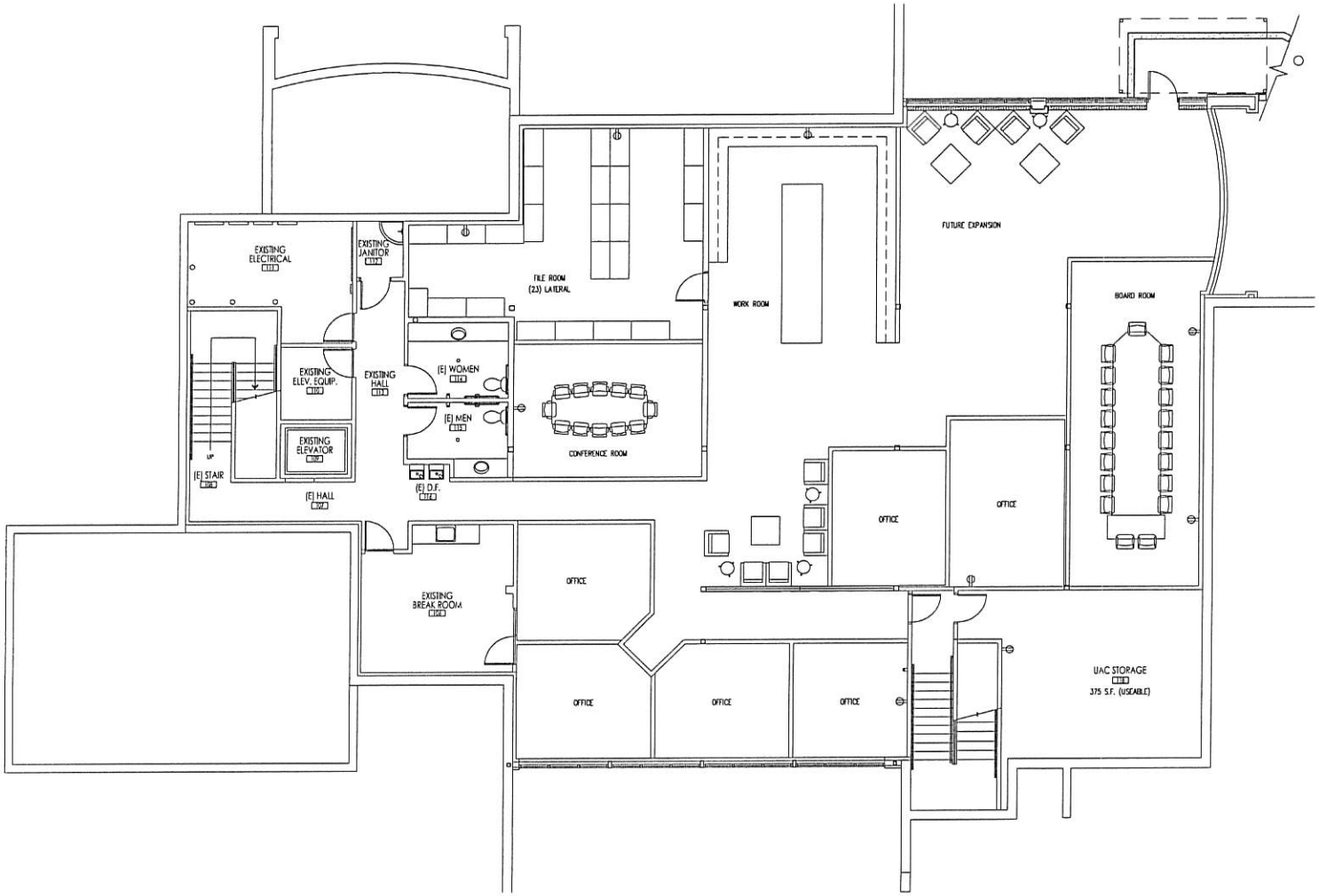
- CRL Cyber Liability Training
- Duchesne County Meetings
- UAC Staff Luncheon
- UAC Building Progress
- PRIMA Meeting (Volunteer Liability)
- Davis Charity Event (PEHP discussion)
- Sheriff's Association Meeting
- Risk Management Conference http://uciprmconference2014.sched.org/
- Civil Attorney's Conference (Oct 15-17)

UCIP

Board Calendar

- Sept ?th – UCIP Board Meeting, ?
- Sept 10-11th – Risk Management Conference
- Oct 5-8th – AGRiP Conference, Savannah, GA
- Oct 16th – UCIP Board Meeting, noon
- Nov 13?th – UCIP Board Meeting, UAC
- Dec 18th – UCIP Board Meeting, noon

UCIP



7 SCHEMATIC FLOOR PLAN
SCALE 3/16"=1'-0" (24"x36")
SCALE 3/64"=1'-0" (12"x18")

NORTH

TRUE NORTH

Think
Architecture

Architecture
Interior Design
Landscape Architecture
Land Planning
Construction Management

5151 South 900 East, Suite 200
Salt Lake City, UT 84117
Ph: 801.269.0055
Fax: 801.269.1425
www.thinkinc.com

The designs shown and described herein, including all technical drawings, graphic representations & models thereof, are proprietary & can not be copied, duplicated, or commercially exploited in whole or in part without the use and express written permission from Think Architects, Inc.

These drawings are available by limited revision and instruction by clients, consultants, contractors, government agencies, vendors, and other companies only in accordance with this notice.

UTAH COUNTIES INDEMNITY POOL
TENANT IMPROVEMENT
5397 SOUTH VINE STREET
MURRAY, UTAH 84107

PROJECT NO. 14099
DATE: JULY 11 2014
REVISIONS:

SHEET TITLE:
SCHEMATIC FLOOR PLAN
SHEET NUMBER:
A101
UCIP-TI

SCHED for UCIP RM Conference

Attending this event? SIGN UP LOG IN

UCIP RM Conference

Schedule **Speakers** Attendees Tickets Search

Peter Stirba (Impact of Assertive Defense Cases)
Attorney, Stirba, P.C.
Salt Lake City

Joanne Glantz (Verbal Defense)
Trainer, Utah Risk Management Mutual Association
Salt Lake City

Yvonne Christensen (Data Mining and how it relates to GRAMA)
Records Officer, Davis County
Farmington, UT

Bart Kunz (Beyond RS2477 Road Liability)
Attorney, Christensen & Jensen Attorneys
Salt Lake City

Adam Trupp (Expansion of Education for County Management)
CEO, Utah Association of Counties
Murray, UT

Doug Handy (Behavioral Risk Management)
Technical Consultant II, Liberty Mutual Insurance
Salt Lake City

Johnnie Miller (Expansion of Coverage and Membership)
CEO, Utah Counties Indemnity Pool
South Jordan, UT

Kristin VanOrman (New Type of Employee/Court Case Review)
Attorney, Strong & Hanni
Salt Lake City

Jennifer Williams (Vehicle Policies and Safety)
Traffic Safety Manager, Utah Safety Council (NETS)
Salt Lake City

Doug Love (The Aging Workforce)
Senior Safety & Health Confultant, Workers Compensation Fund
Sandy, UT

Take a tour or contact the event organizer for event questions.

Use SCHED for event social networking and event mobile apps.

https://uciprmconference2014.sched.org

Schedule Speakers Attendees Tickets

Wednesday, September 10 • 9:00am - 10:00am

Impact of Assertive Defense Cases

Sign up or log in to save this event to your list and see who's attending!

★ Add To My Sched http://sched.co/1sOjhDj Tweet 0 Like 0

Speaker Website

2013 Utah Lawyer of the Year Peter Stirba will discuss the importance of counties aggressively fighting claims rather than settling to save money and time. Example cases of excessive force, search and seizure, wrongful arrests and police pursuits will be referenced.

Speakers

Peter Stirba
Attorney, Stirba, P.C.

Mr. Stirba is a graduate of the S.J. Quinney College of Law and was admitted to the Bar in 1976. He practices in Salt Lake City with his firm colleagues at Stirba, P.C., a law firm that he started 22 years ago. He was recently honored as 2013 Utah Lawyer of the Year, and he successfully argued the 2009 case of Pearson v. Callahan before the United States Supreme Court.

test.pptx

Wednesday September 10, 2014 9:00am - 10:00am
Loveland Living Planet Aquarium

Schedule or People Search

Sep 10-11, 2014
Draper, UT, United States

Recently Active Speakers

More →

Recently Active Attendees

MM MR KP JR CH BC VB More →