Financial Position and Rating

UTAH COUNTIES INDEMNITY POOL

Sonya White, Chief Financial Officer

UTAH COUNTIES INDEMNITY POOL
Statement of Net Position
As of December 31, 2020

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 14,344,764
Short-term investments	601,593
Accounts receivable	19
Prepaid expenses	387,667
TOTAL CURRENT ASSETS	15,334,043
LONG TERM INVESTMENTS	1,029,418
CAPITAL CONTRIBUTIONS	3,564,807
PROPERTY AND EQUIPMENT	535,714
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	132,055
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 20,596,037
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Reserves for losses and loss adjustment expenses	$ 8,889,882
Accrued expenses	160,925
Contributions paid in advance	2,067,285
TOTAL CURRENT LIABILITIES	11,118,092
NONCURRENT LIABILITIES	
Net pension liability	163,821
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	87,645
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	11,369,558
NET POSITION	
Net investment in capital assets	529,241
Unrestricted	8,697,238
TOTAL NET POSITION	9,226,479
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 20,596,037

The notes to the financial statements are an integral part of this statement

UTAH COUNTIES INDEMNITY POOL

Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended December 31, 2020

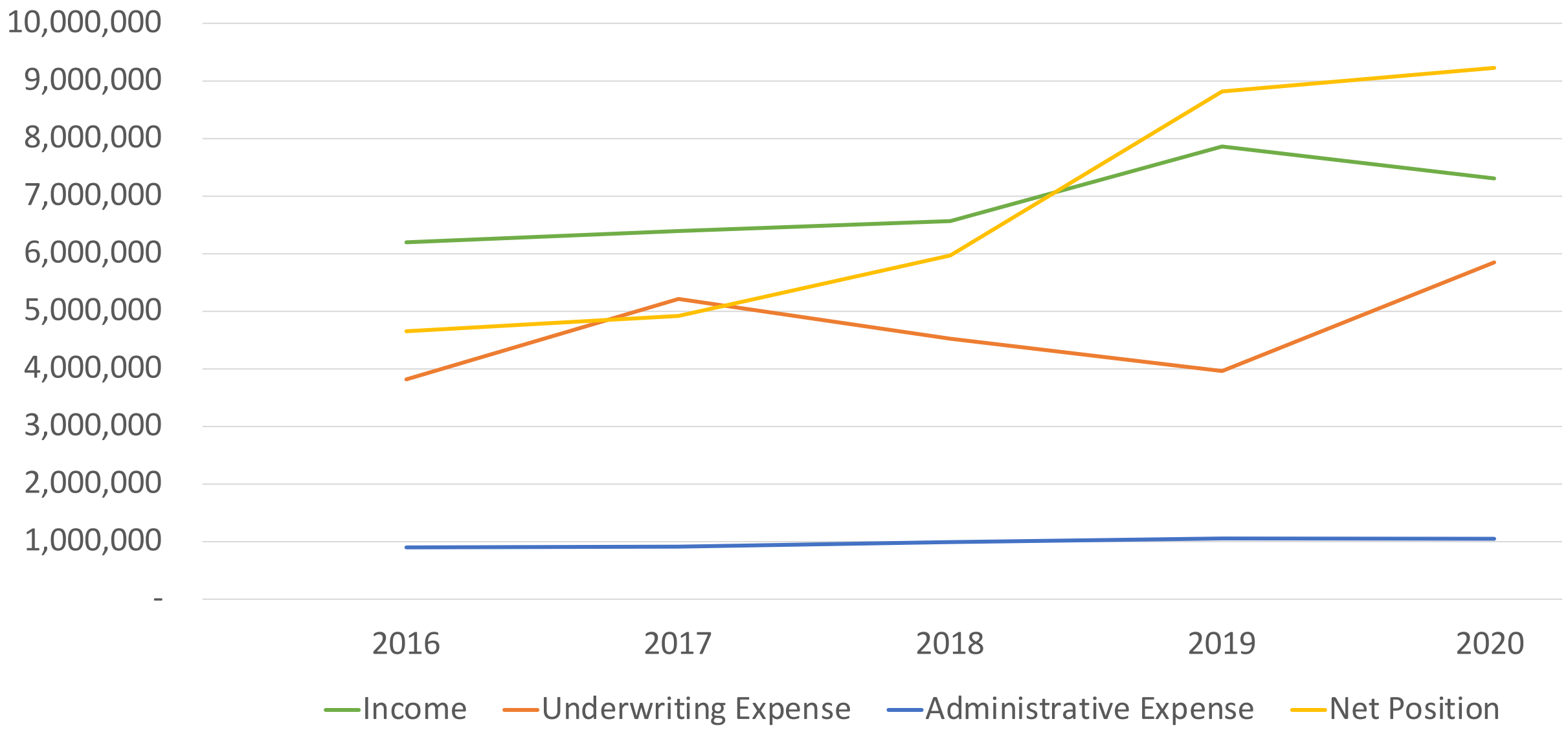
OPERATING INCOME	
Contributions	$ 6,917,192
Investment Income	194,389
Other Income	19,067
TOTAL OPERATING INCOME	7,130,648
UNDERWRITING EXPENSES	
Losses and Loss Adjustment Expenses	3,899,087
Reinsurance Coverage	1,949,291
TOTAL UNDERWRITING EXPENSES	5,848,378
ADMINISTRATION EXPENSES	
Directors	15,932
Depreciation	1,676
Risk Management	61,142
Public Relations	3,310
Office	96,427
Financial/Professional	95,089
Personnel	775,204
TOTAL ADMINISTRATION EXPENSES	1,048,778
TOTAL OPERATING EXPENSES	6,897,156
NET OPERATING INCOME	233,492
OTHER INCOME/(EXPENSES)	
Change in Fair Value Investments	7,378
Change in Fair Value Equity	167,678
TOTAL OTHER EXPENSES	175,056
CHANGE IN NET POSITION	408,548
NET POSITION AT BEGINNING OF YEAR	8,817,931
NET POSITION AT END OF YEAR	$ 9,226,479

The notes to the financial statements are an integral part of this statement

Historical Financial Snapshot

	2016	2017	2018	2019	2020
Income	6,197,669	6,391,668	6,566,036	7,861,363	7,305,704
Underwriting Expense	3,817,474	5,214,472	4,521,165	3,960,272	5,848,378
Administrative Expense	899,484	908,933	994,831	1,054,358	1,048,778
Net Position	4,652,896	4,921,159	5,971,199	8,817,931	9,226,479

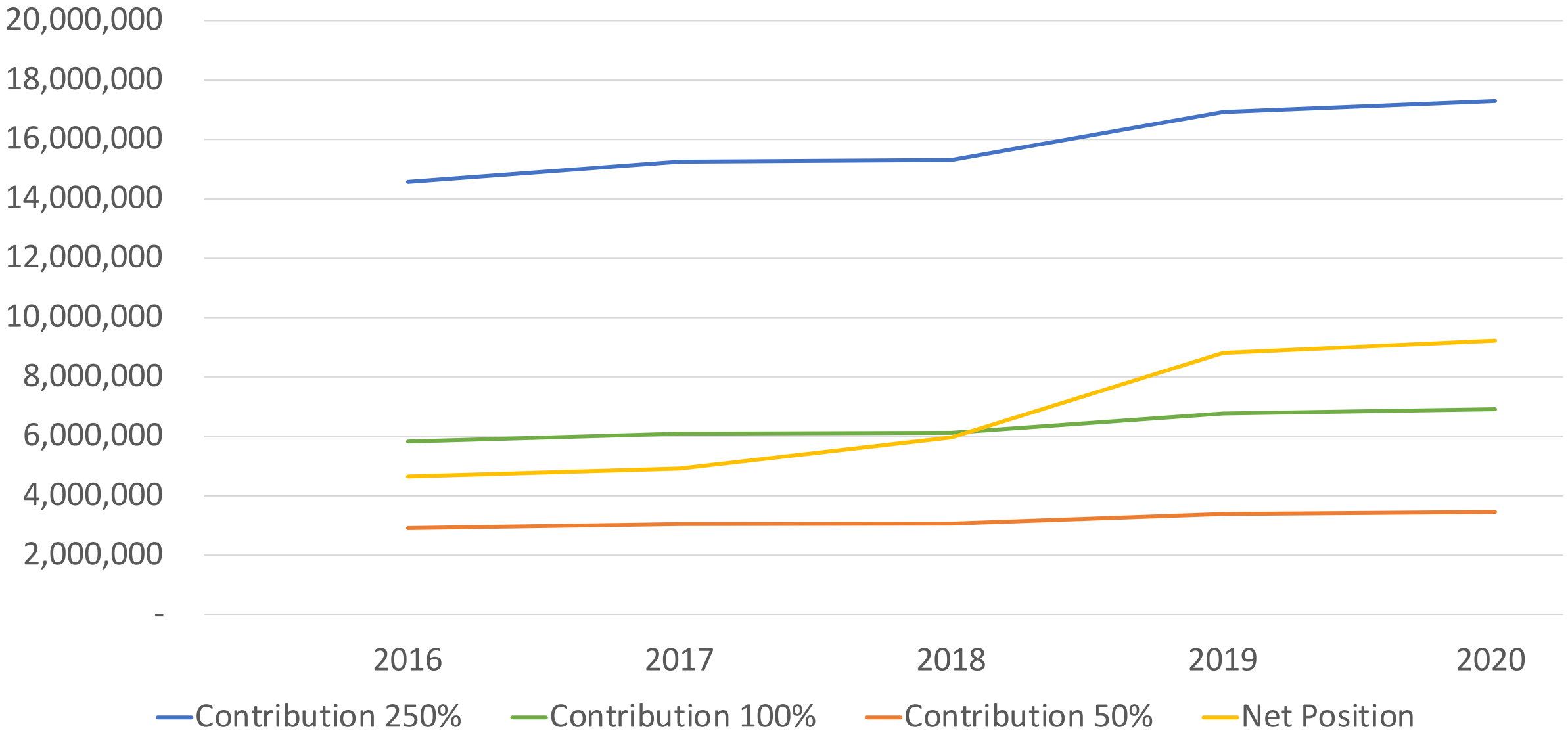
Audited Income Statement



Net Asset Management Policy

- Adopted by the Board 2016
- Purpose: *Manage Net Asset levels to assure adequate assets to protect UCIP's financial position without holding excessive public funds as Net Assets*.
- Procedures: Net Assets should not exceed 250% and should not fall below 50% of annual contributions.

Contributions to Net Assets



	Law Enforcement	Public Officials	General	Automobile	Property	Total
2020 Actuarial Indicated Rates	$ 1,792.000	$ 222.000	$ 178.000	$ 173.000	$ 0.107	
	FTLE	FTE	FTE	Per Vehicle	SOV	
Total Exposures	1,279	4,737	4,737	3,267	$ 1,986,426,949	
Total Contributions	$ 2,291,968	$ 1,051,614	$ 843,186	$ 565,191	$ 2,125,477	**$ 6,877,436**

	Law Enforcement	Public Officials	General	Automobile	Earthquake	Non Earthquake	Total
2020 Approved Rates	$ 1,667.000	$ 193.000	$ 212.000	$ 207.000	$ 0.110	$ 0.100	
	FTLE	FTE	FTE	Per Vehicle	SOV	SOV	
Total Exposures	1,279	4,737	4,737	3,267	$ 1,262,841,636	$ 723,585,313	
Total Contributions	$ 2,132,093	$ 914,241	$ 1,004,244	$ 676,269	$ 1,389,126	$ 723,585	**$ 6,839,558**

	Crime	Cyber	C D T	UAS	
2020 Approved Rates	$0.068	$7.000	$0.091	$1,500.000	
	Revenues	FTE			
	$ 1,022,319,348	$ 4,737			
	$ 69,518	$ 33,159	$ 85,237	$ 58,500	**$ 246,414**

Total 2020 Estimated Contribution: **$ 7,085,972**

	Law Enforcement	Public Officials	General	Automobile	Property	Total
2021 Actuarial Indicated Rates	$ 1,742.0000	$ 280.0000	$195.0000	$178.0000	$ 0.0947	
	FTLE	FTE	FTE	Per Vehicle	SOV	
Total Exposures	1,316	4,758	4,758	3,318	2,032,013,082	
Indicated Contributions	$ 2,292,472	$ 1,332,240	$ 927,810	$ 590,604	$ 1,924,316	**$ 7,067,442**

	Law Enforcement	Public Officials	General	Automobile	Non Earthquake	Earthquake	Total
2021 Approved Rates	$ 1,742.0000	$ 250.0000	$200.0000	$200.0000	$ 0.1000	$ 0.1125	
	FTLE	FTE	FTE	Per Vehicle	SOV	SOV	
Total Exposures	1,316	4,494	4,494	3,318	749,240,815	1,282,772,267	
Total Contributions	$ 2,292,472	$ 1,123,500	$ 898,800	$ 663,600	$ 749,241	$ 1,443,119	**$ 7,170,732**

	Clash	Crime	Cyber	D T	UAS	
2021 Approved Rates	6.0600	0.0680	7.0000	0.2750	500.0000	
	FTE	Revenues	FTE			
Total Exposures	4,494	1,113,536,374	4,758			
Total Contributions	$ 27,234	$ 75,720	$ 33,306	$ 58,005	$ 28,000	**$ 222,265**

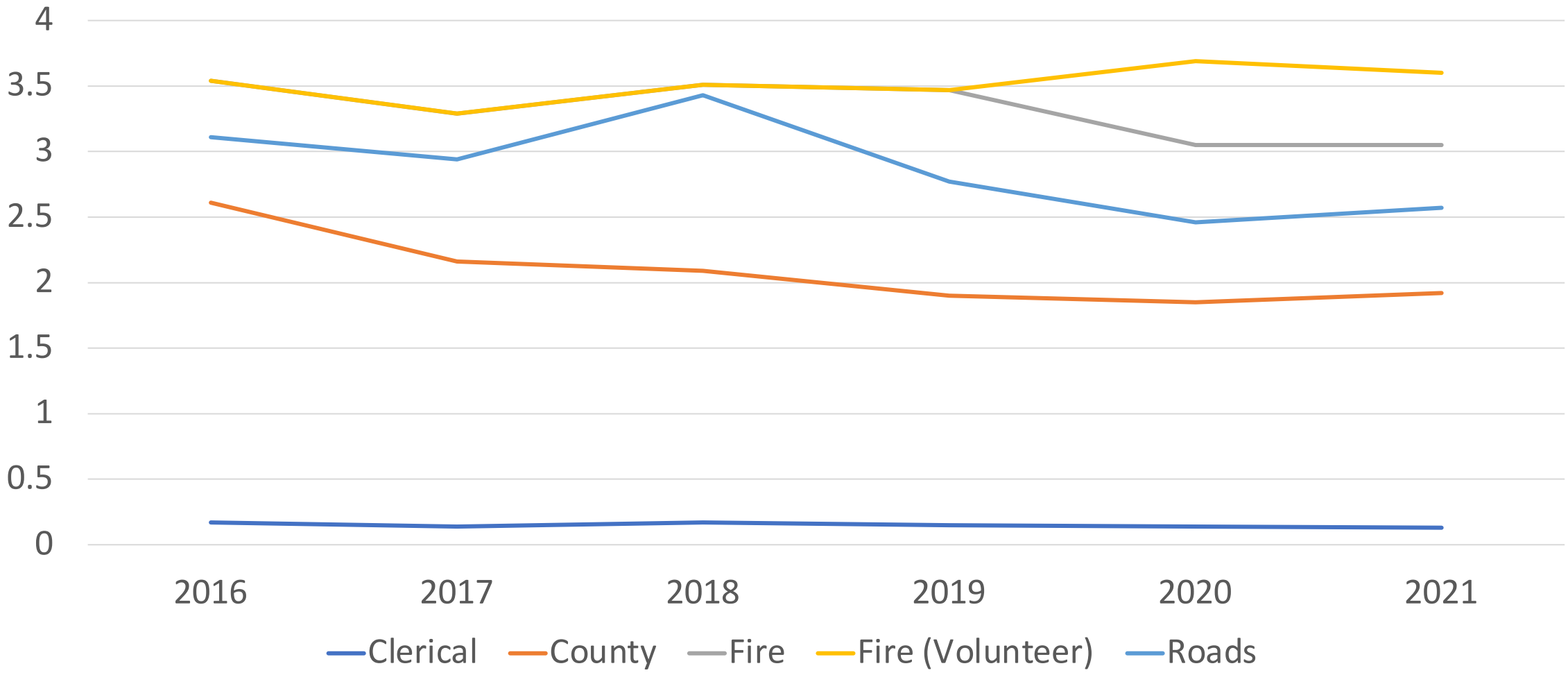
Total 2021 Estimated Contribution: **$ 7,392,997**

Increase/Decrease in Rates Prior Year

Law Enforcement	Public Officials	General Liability	Automobile Liability	Property Earthquake	Property Non-Earthquake
75.00	57.00	(12.00)	(7.00)	(.01)	0.01
4.3%	22.8%	(6.0%)	(3.5%)	(10.0%)	11.1%

Per Law Enforcement Officer
Per Full-Time Official/Employee
Per Full-Time Official/Employee
Per Number of Vehicles
Total Property Values Divided By 100

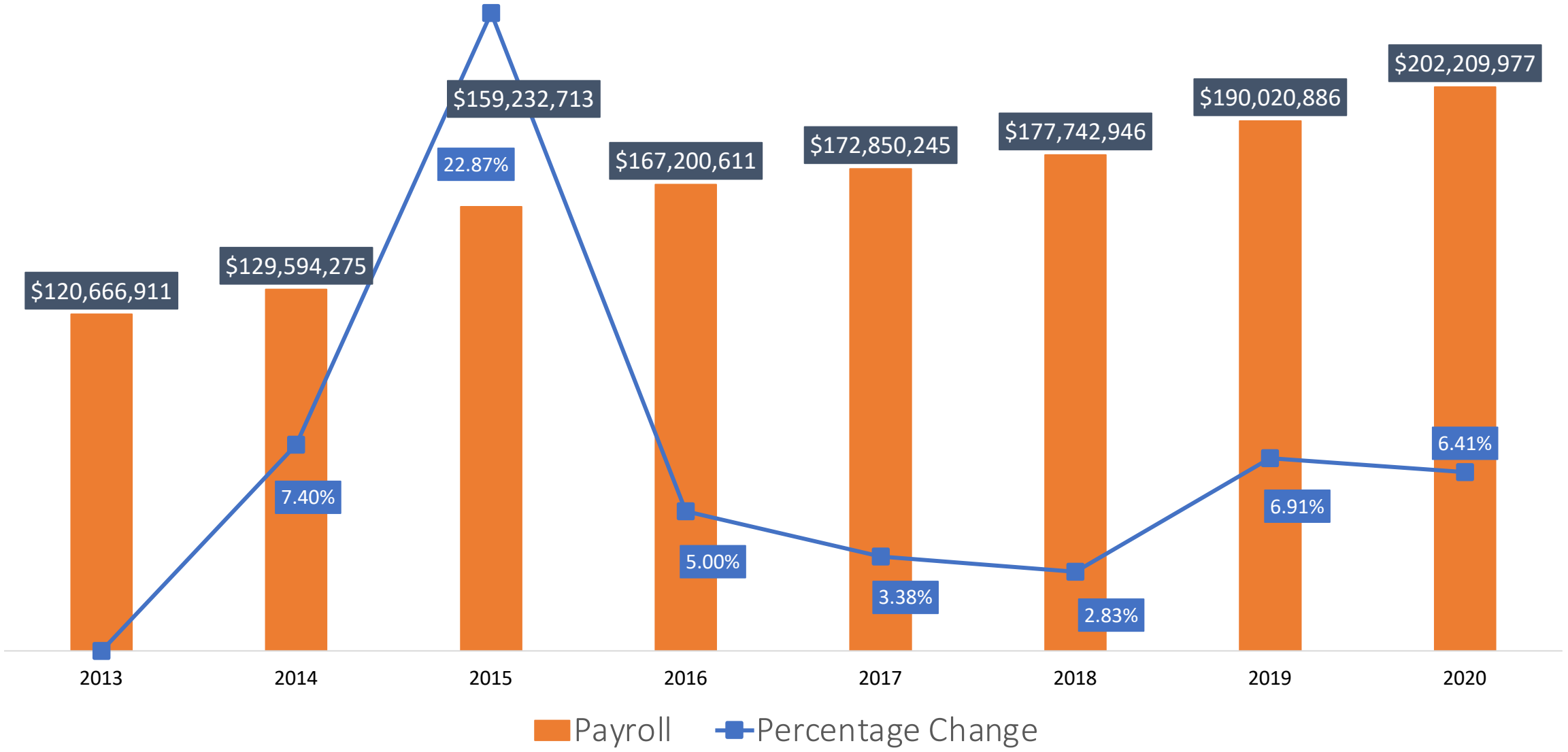
Workers Compensation Rates



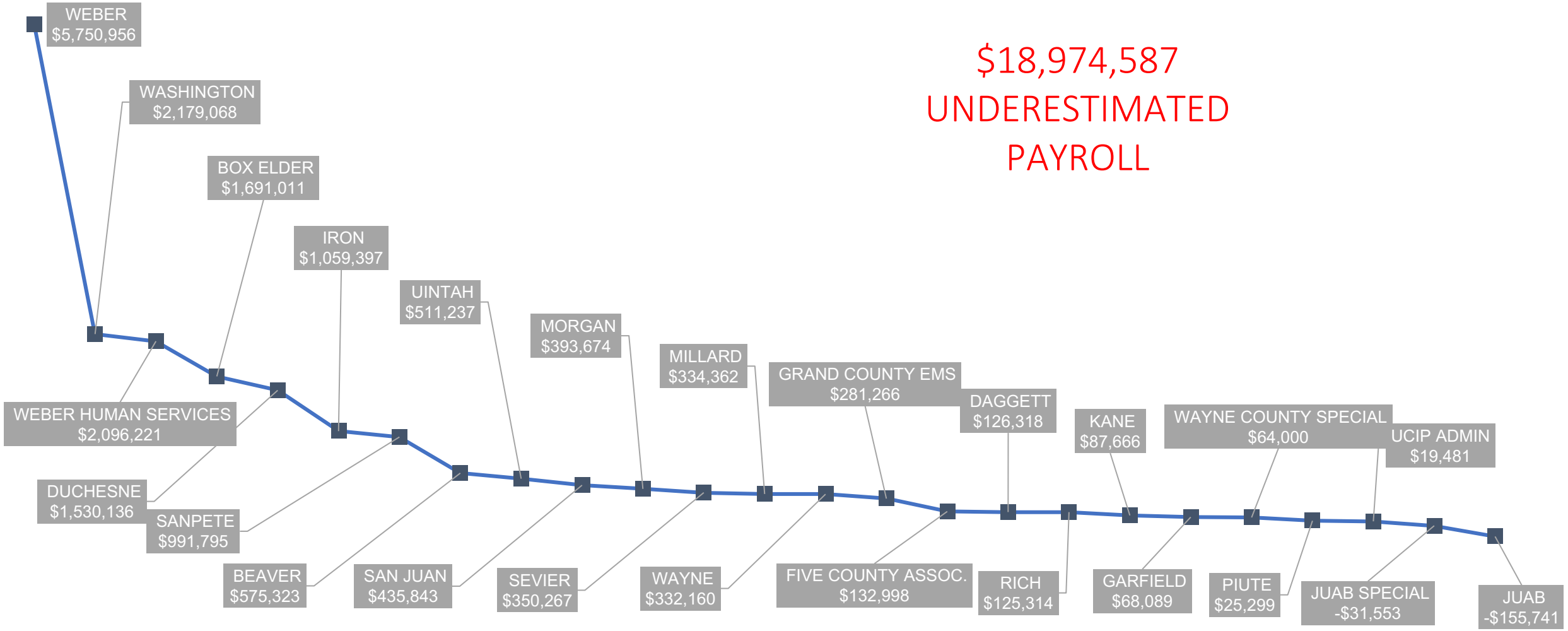
Premium Basis Calculation for Firefighters

- Hours x rate for entry-level deputy
- If hours aren’t tracked, then $1,000 basis per volunteer
- Search and rescue - .5% of county wages if not tracked

Payroll Change by Year



Payroll Change by Member (Estimate to Actual)



$18,974,587
UNDERESTIMATED
PAYROLL