

UTAH COUNTIES INDEMNITY POOL BUDGET POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is August 17, 2023.
2. This policy should be reviewed annually, but not less than every three years by the Board.
3. This policy should also be reviewed any time that changes to laws or rules governing the budget process by the board members of interlocal agencies are amended or recommendations are made by the UCIP CEO, which would require review and update to this policy.
4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
5. This policy is considered to be amended at the time any new federal or state law becomes effective, which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. This policy outlines the policy of the Board related to budget review and adoption by the Board.
2. The purpose of budget review and adoption is to comply with fiscal procedures of an interlocal entity under the laws of the State of Utah.

SECTION C AUTHORITY

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

SECTION D APPLICABILITY AND SCOPE

1. This policy applies to all decisions regarding the budgeting process by the Board.

SECTION E DEFINITIONS

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

2. Budget: a plan of financial operations for a fiscal year that embodies estimates of proposed expenditures for given purposes and the proposed means of financing those proposed expenditures.
3. Budget Officer: the person appointed by the Board to prepare the budget for UCIP.
4. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.
5. Director: a member of the Board of Directors of the Utah Counties Indemnity Pool.
6. Enterprise Fund: a self-supporting government fund that sells goods and services to the public for a fee, as provided in generally accepted accounting principles.
7. Member: each of the Participating Members of UCIP as listed in the Coverage Addendum.
8. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

1. It is the policy of the Board to provide a financial plan for the budget year.
2. It is the policy of the Board to report as a single Enterprise Fund, an Enterprise Fund retains and maintains investment income and surplus. The total of revenues and expenditures, for an Enterprise Fund budget, do not need to balance allowing for the use or development of surplus.
3. It is the policy of the Board to use the accrual method of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.
4. It is the policy of the Board to comply with fiscal procedures for interlocal entities under U.C.A. §11-13-5.
5. The Utah Counties Indemnity Pool is a calendar year entity whose fiscal year begins January 1 and ends December 31 of each calendar year.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. The Budget Officer shall prepare for each budget year a Budget for UCIP's Enterprise Fund.
2. The Budget shall specify in tabular form estimates of all anticipated revenues and all appropriations for expenditures.

3. On or before the first regularly scheduled meeting of the Board in June, the Budget Officer may prepare for the ensuing year and file with the Board a preliminary Budget in tabular form providing actual revenues and expenditures for the last completed fiscal year, estimated total revenues and expenditures for the current fiscal year and the budget officer's estimates of revenues and expenditures for the budget year. A preliminary Budget is used for UCIP's underwriting process.
4. On or before the first regularly scheduled meeting of the Board in October, the Budget Officer shall prepare for the ensuing year and file with the Board a tentative Budget in tabular form providing actual revenues and expenditures for the last completed fiscal year, estimated total revenues and expenditures for the current fiscal year and the budget officer's estimates of revenues and expenditures for the budget year. The Budget Officer shall estimate the amount of revenue available to serve the needs of the fund and the portion to be derived from Member contributions or fees. Estimates of expenditures shall contain supporting data required or requested by the Board.
5. The Board shall review, consider and adopt the tentative Budget in any regular meeting or special meeting. The Board may amend or revise the tentative Budget in any manner that the Board considers advisable prior to the public hearing to adopt the final Budget. The Board shall establish the time and place of a public hearing to consider adoption of the Budget.
6. The Budget hearing notice, to consider adoption of the Budget, will be published, for at least seven days before the day of the hearing, on the Utah Public Notice Website and on the UCIP website.
7. At the time and place published, the Board shall hold a public hearing on the Budget tentatively adopted and give interested persons in attendance an opportunity to be heard on the estimates of revenue and expenditures or any item in the tentative budget.
8. After the conclusion of the public hearing, the Board may continue to review the tentative budget, insert any new items, increase or decrease items of revenue and expenditure, and upon any changes shall adopt the final Budget by resolution prior to the beginning of the fiscal year a budget for the ensuing fiscal year.
9. The Budget Officer shall file within 30 days after adoption the final budget with the Office of the Utah State Auditor.
10. The Board may, at any time during the budget year, review the Budget for the purpose of amending line items within the Budget. Amendment of line items that do not require an increase in the overall Budget shall be approved by the Board but does not require a public hearing.

11. The Board may, at any time during the budget year, review the Budget for the purpose of determining if the total of the Budget should be increased. If the total should be increased, the Board shall hold a public hearing on the increase in accordance with the procedures in item 6.

SECTION H REVISION HISTORY

1. Adopted: August 17, 2023

SECTION I APPENDICES

1. Final Budget Resolution.