



ULGT
2010



UTAH LOCAL GOVERNMENTS TRUST

ANNUAL REPORT

2010





2010 MARKS THE SIXTH CONSECUTIVE YEAR of unprecedented success for the Utah Local Governments Trust. On May 1st, we launched our new \$2 billion property program, providing members with broader coverage than ever before, including flood and quake. We continue to refine each program, to improve performance and accountability, and to deliver more value to our members—this is our standard.

How does this unprecedented success benefit members? How do we provide specialized products and services at the best possible price? How are we delivering more than the competition?

Financial strength is our primary obligation to members. Financial strength guarantees our ability to deliver on our promise to pay when things go bad—now and in the future. Our performance is remarkable. We honor our fiduciary responsibility. We pledge continued expertise, discipline, and accountability.

Operational expertise and discipline play a key role in how we are positioned in the market. In the most uncertain times ever, the Trust is able to withstand market fluctuations and market

deficiencies. As a result, members enjoy unmatched rate and coverage stability. We're meeting our goal of providing long-term sustainable insurance solutions that cost less—while providing unmatched service. We will continue on this path.

Finally, the commitment, loyalty, and partnership of our members make it all possible. Our members feel the dedication of the finest staff in the history of the Trust. The ultimate transparent report card for member satisfaction is member retention—currently running near 100%. We continue to add new members. Thank you for your continued loyalty and for your individual role in our success. Remember, our success is your success.

If you're not a member, let us show you what we can do. We stand on our record as one of the most successful pools in the country—certainly in the state.

Sincerely,

Steven A. Hansen
President, Executive Director





THE TRUST

THE UTAH LOCAL GOVERNMENTS TRUST was organized in 1974 to provide superior services and products to Utah's public agencies. The pool was initially capitalized with \$112,745. As of December 31, 2010, the Trust has assets of \$67,097,285. Trust member-owned equity is \$37,785,701. This member equity provides financial strength, security, rate stabilization, market stabilization, and protection from catastrophic loss.

OBJECTIVES

- Financial Security
- Partnership with Members
- Superior Products and Services
- Competitive Pricing
- Claims Management
- Loss Prevention
- Training
- Growth

SINCE 1974



CLAIMS HANDLING

FAIR, PROMPT, AND THOROUGH, WE ARE committed to delivering on our promise to pay claims for damages that our insured's are responsible for or have coverage for.

We will protect our members' interests in the most professional and complete way possible. We work closely with members throughout claim filing, investigation, settlement, and even litigation. When litigation is necessary, we keep members informed.

We are committed to protecting the interests and financial resources of our members. We accomplish this by paying claims we owe and defending those we don't. We don't cut corners in the cost

of investigation or defense. Decisions regarding coverage, settlement, and when to litigate have a far reaching impact. We communicate with members as we work to resolve difficult claims fairly and consistently.

Our members need more information—more timely and in a more useable format. Computer and web-based technology help us meet their needs. Our goal is to provide members with custom, easy-to-read reports, that show areas of success and areas that need attention.

RISK MANAGEMENT & TRAINING

THE TRUST'S RISK MANAGEMENT AND TRAINING STAFF is conducting a record number of on-site risk management surveys and training meetings. Our risk management staff trains on more than 50 topics. In addition, the Trust has available a training DVD library now with over 150 titles. Each DVD includes a Power Point presentation that can be used by members. Our goal is to work with members to help them in their risk management efforts to eliminate or reduce losses and preserve financial resources. Expertise and/or training assistance is provided in the following areas:

Infrastructure Liability
Environmental Health & Safety
Harassment
Employee Hiring/Termination
Personnel Policies & Procedures
Fair Labor Standards Act
Americans with Disabilities Act
Civil Rights Liability
Contractual Liability
Family & Medical Leave Act
Drug-Free Workplace

Law Enforcement Liability
Liability Insurance
Parks & Recreation
Streets, Sidewalks, & Road Signs
Property Damage Control & Safety
Systems
Senior Citizens Center Safety
Zoning & Land Use
Sewer Backup Prevention
Drug & Alcohol Abuse Recognition
& Response

Defensive Driving
Traffic Control for Work Zones
Community First Aid & CPR
Emergency Response Planning
Hazardous Material Management
Noise Pollution Management
Clean Air Act
Clean Water Act
Odor Control
Lead & Asbestos Management
Other OSHA Topics

COVERAGES



LIABILITY

General Liability

Auto Liability

Public Officials Errors & Omissions

Law Enforcement Liability

AUTO PHYSICAL DAMAGE

Comprehensive

Collision

PROPERTY

Accidental Electrical & Mechanical

Accounts Receivable

Builders Risk

Building

Contents

Contractors Equipment

EDP

Equipment in the Open

Fine Art

Mobile Equipment

Valuable Papers/Records

Earthquake & Flood

WORKERS COMPENSATION

GROUP PROGRAMS

Accidental Death & Dismemberment

Accidental Dental

Dental

Life

Long-term Care

Medical

Vision

BONDS

Fidelity

Notary

Position Schedule

Public Employee Dishonesty

Public Officials

Blanket

Treasurer

SPECIAL EVENTS

Steam Boiler & Machinery

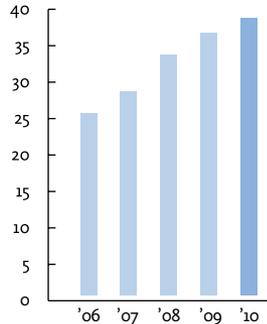
Airport Liability

Section 125

Cafeteria Plans

STATEMENT OF NET ASSETS

YEAR ENDED DECEMBER 31, 2010



Q Net assets over five years.
(\$ in millions)

	2010	2009
ASSETS		
CURRENT ASSETS:		
Cash	\$287,666	\$616,955
Investment in State of Utah Public Treasurers' Investment Fund	23,520,949	14,660,202
Receivables:		
Premiums	679,800	307,068
Investment income	329,849	313,556
Administrative fees	53,279	272,691
Reinsurance recoverable on paid claims	-	96,393
Other	181,385	133,362
TOTAL CURRENT ASSETS	25,052,928	16,400,227
NONCURRENT ASSETS:		
Investment in debt securities	36,217,511	41,131,717
Investment in debt securities held by state treasurer	1,997,540	1,997,413
Capital assets:		
Land	701,867	701,867
Depreciable, net of accumulated depreciation	2,602,144	2,415,983
Deposit with NLC Mutual Insurance Company	525,295	525,295
TOTAL NONCURRENT ASSETS	42,044,357	46,772,275
TOTAL ASSETS	67,097,285	63,172,502
LIABILITIES		
CURRENT LIABILITIES:		
Estimated unpaid claims and claims adjustment expense	10,564,207	8,978,176
Policyholder dividends payable	150,295	1,765,080
Unearned premiums	5,473,404	3,853,017
Accounts payable and accrued expenses	350,707	323,530
State premium tax payable	97,357	139,556
TOTAL CURRENT LIABILITIES	16,635,970	15,059,359
NONCURRENT LIABILITIES:		
Estimated unpaid claims and claims adjustment expense, net of current portion	12,675,614	11,899,924
TOTAL LIABILITIES	29,311,584	26,959,283
NET ASSETS		
Invested in capital assets	3,304,011	3,117,850
Unrestricted	34,481,690	33,095,369
TOTAL NET ASSETS	\$37,785,701	\$36,213,219

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2010

	2010	2009
OPERATING REVENUES:		
Gross premiums earned	\$17,317,250	\$15,423,901
Reinsurance premiums	(2,266,300)	(1,464,638)
NET PREMIUMS EARNED	15,050,950	13,959,263
Administrative fees	1,142,310	1,000,676
Other revenue	4,404	4,693
TOTAL OPERATING REVENUES	16,197,664	14,964,632
OPERATING EXPENSES:		
Claims and claims adjustment expenses	11,820,963	9,774,968
State premium tax expense	372,096	454,571
General and administrative expenses	3,645,696	3,352,732
TOTAL OPERATING EXPENSES	15,838,755	13,582,271
OPERATING INCOME	358,909	1,382,361
NONOPERATING REVENUES (EXPENSES):		
Investment income	1,213,573	957,933
Policyholder dividend expense	-	(1,500,000)
TOTAL NONOPERATING REVENUES (EXPENSES)	1,213,573	(542,067)
CHANGE IN NET ASSETS	1,572,482	840,294
NET ASSETS AT BEGINNING OF YEAR, AS RESTATED	36,213,219	35,372,925
NET ASSETS AT END OF YEAR	\$37,785,701	\$36,213,219

The financial statements shown are derived from the Trust's audited financial statements for 2010 and do not include notes. A copy of the complete audited financial statements can be obtained from the Trust upon request. The Trust's independent auditor is Squire & Company.

BOARD OF DIRECTORS

Joe L. Piccolo, CHAIR, EXECUTIVE COMMITTEE
Mayor, Price City

Gary L. Hatch, EXECUTIVE COMMITTEE
Manager, Davis County Mosquito Abatement District

Jeff Horrocks, EXECUTIVE COMMITTEE
Commissioner, Emery County

Burtis Bills
Appointed

Blake L. Frazier
Auditor, Summit County

D. Brad Hancock
Appointed

W. Dean Howard
Mayor, Hyrum City

JoAnn B. Seghini
Mayor, Midvale City

Robert G. Sutherland
General Manager, Midvalley Improvement District

Russell D. Wall
Mayor, Taylorsville City

Board Members as of 12.31.10



TRUST STAFF *as of December 31, 2010*

Steven A. Hansen, *President, Executive Director*

ADMINISTRATIVE SUPPORT

Marilynn Beesley, *Executive Assistant*

ACCOUNTING

Jody Pettet, *Manager, Accounting*

Jessa Anderson, *Accounting Technician, Payables*

Denise Fowler, *Accounting Technician, Receivables*

CLAIMS

Chris Rozelle, *Claims Manager*

INFORMATION TECHNOLOGY

Brady Loveland, *IT Technician*

MEMBER SERVICES TEAM

Golden Thomas, *Manager, Member Services*

Travis Garton, *Assistant Manager, Member Services*

Greg Baumgartner, *Account Executive*

Ryan Hatch, *Account Executive*

Josh McKell, *Account Executive*

Jill Johnson, *Account Manager*

Suzie Pope, *Account Manager*

Julie Payne, *Receptionist*

RISK MANAGEMENT

Jason Watterson, *Manager, Risk Management*

Doug Folsom, *Risk Manager*

Lance Mergens, *Risk Manager*





TRUST MEMBERS *as of December 31, 2010*

Alpine City	Beaver County Special Service District #5	Cache Valley Transit District
Alta Canyon Sports Center	Beaver Valley Hospital	Cannonville Town
Alta Town	Benchland Water Company (FAPID)	Canyon Land Improvement District
Altamont Town	Benson Culinary Water Improvement District	Canyonlands Health Care Special Service District
Alton Town	Bicknell Town	Carbon County
Amalga Town	Big Cottonwood Canyon Improvement District	Carbon County Conservancy District
Angell Springs Special Service District	Big Water Municipal Corp.	Carbon County Recreation/Transportation Special Service District
Annabella Town	Blacksmith Fork Cons District	Castle Dale City
Antimony Town	Blanding Cemetery Maintenance District	Castle Valley Special Service District
Apple Valley Town	Blanding City	Castle Valley Town
Ash Creek Special Service District	Bluff Service Area	Cedar City
Ashley Valley Sewer Management Board	Bluff Water Works Special Service District	Cedar Fort Town
Ashley Valley Water and Sewer Improvement District	Bluffdale City	Cedar Hills City
Aurora City	Bona Vista Water Improvement District	Centerfield Town
Ballard Town	Box Elder County Special Service Area #1	Centerville City
Ballard Water Improvement District	Box Elder County/Willard Flood	Central Box Elder Fire Special Service District
Bear Lake Special Service District	Box Elder Mosquito Abatement District	Central Iron County Water Cons District
Bear River Association of Governments	Brian Head Town	Central Utah Public Health Department
Bear River City	Cache County	Central Utah Counseling Center
Bear River Mental Health	Cache County Emergency Medical Services Authority	Central Valley Town
Bear River Water Conservancy District	Cache Mosquito Abatement District	Charleston Town
Beaver City		

Church Wells Special Service District
Circleville Town
Clarkston Town
Clawson Town
Cleveland Town
Clinton City
Coalville City
College-Young Mosquito Abatement District
Copperton Improvement District
Corinne City
Corinne Drainage District
Cornish Town
Cottonwood Heights City
Cottonwood Heights Parks and Recreation
Cottonwood Improvement District
Council on Aging-Golden Age Center
Crescent Cemetery
Daggett County Mosquito Abatement District
Daggett Water District
Daniel Town
Davis and Weber Counties Canal Company
Davis Community Housing Authority

Davis County Mosquito Abatement District
Davis-Salt Lake Aerial Spray Authority
Delta City
Deseret Oasis Special Service District
Deweyville Town
Dixie Deer Water Special Service District
Duchesne City
Duchesne County Mosquito Abatement District
Duchesne County Water Conservancy District
Eagle Mountain City
East Carbon City
East Duchesne Culinary Water Improvement District
East Riverton Drainage District
East Zion Special Service District
Eastland Community Special Service District
Eden Park Service District
Elk Meadows Special Service District
Elk Ridge City
Elmo Town
Elsinore Town

Elwood Town
Emery County
Emery County Fire Protection District
Emery County Recreation District
Emery County Special Service District #1
Emery Town
Enoch City
Enterprise City
Ephraim City
Eureka City
Fairfield Town
Fairview City
Farr West City
Fayette Town
Ferron City
Fielding Cemetery Maintenance District
Fielding Town
Fillmore City
Five County Association of Governments
Fountain Green City
Four Corners Community Behavioral Health
Francis Town
Fruit Heights City

Fruitland Special Service District
Garden City Fire District
Garden City Town
Garland City
Genola Town
Glen Canyon Special Service District
Glendale Town
Glenwood Town
Goshen Town
Grand County
Grand County Cemetery Maintenance District
Grand County Recreation Special Service District
Grand Water and Sewer Service Agency
Grantsville City
Grantsville Soil Conservation District
Green Hills East Water Sewer Imp District
Green River City
Grouse Creek Solid Waste Special Service District
Gunlock Special Service District
Gunnison City
Hanksville Town

Hanna Water and Sewer District
Harrisville City
Hatch Town
Heber City
Heber Valley Special Service District
Helper City
Henefer Town
Henrieville Town
Herriman City
Hideout Town
Highland City
Hildale City
Hinckley Town
Holden Town
Holladay City
Honeyville City
Hooper City
Hooper Water Improvement District
Housing Authority of Salt Lake City
Housing Authority of the County of Salt Lake
Housing Authority of Carbon County
Housing Authority of Utah County

Howell Town
Huntington City
Huntsville City
Hurricane City
Hurricane Redevelopment Agency
Hyde Park Cemetery District
Hyde Park City
Hyrum City
Indian Ridge Water Conservancy District
Ivins City
Jensen Water Improvement District
Johnson Water Improvement District
Joseph Town
Junction Town
Kamas City
Kanarrville Town
Kane County Human Resource Special Service District
Kane County Water Conservancy District
Kanosh Town
Kearns Improvement District
Kingston Town
Koosharem Town

La Sal Recreation Service District
Lake Point Cemetery and Parks Service Area
Lake Point Improvement District
Laketown City Fire and Cemetery
LaVerkin City
Leamington Town
Leeds Area Special Service District
Leeds Town
Lehi City
Levan Town
Lewiston City
Lindon City
Logan City
Lone Peak Public Safety District
Lyman Town
Lynnndyl Town
Maeser Water Improvement District
Magna Mosquito Abatement District
Magna Water District
Manila Culinary Water District
Manila Town
Manti City

Mantua Town
Mapleton City
Marriott-Slaterville City
Marysville Town
Mayfield Town
Mendon City
Mexican Hat Special Service District
Midvale City
Midvalley Improvement District
Milford City
Milford Valley Hospital
Military Installation Development Authority
Millard Conservation District
Millville City
Minersville Town
Moab City
Moab Mosquito Abatement District
Mona City
Monroe City
Monticello City
Morgan City
Morgan City Redevelopment Agency

Moroni City	North Pointe Solid Waste Special Service District	Peoa Recreation Special Service District	Riverside Community Special Service District
Mountain Green Fire Protection	North Salt Lake City	Perry City	Riverton City
Mountain Green Sewer Improvement District	North Sanpete Ambulance	Pine Meadow Mutual Water Company	Rockville Town
Mountain Meadow Special Service District	North Sevier Recreation	Pine Valley Special Service District	Rockville/Springdale Fire Protection District
Mountain Regional Water Special Service District	North Summit Fire Protection District	Pleasant Grove City	Rocky Ridge Town
Mountainland AOG	North Summit Recreation Special Service District	Pleasant View City	Roosevelt City
Mt. Pleasant City	North Tooele Special Service District	Plymouth Town	Roosevelt City Housing Authority
Municipal Building Authority Vernal	North View Fire Agency	Portage Town	Roy Water Conservancy District
Mutton Hollow Improvement District	Northern Utah Regional Landfill Authority	Powder Mountain Water and Sewer Improvement District	Rural Water Association of Utah
Myton City	Oak City	Price City	Rush Valley Town
Myton City Housing Authority	Oakley City	Price River Water Improvement District.	Salem City
Naples City	Ogden Valley Recreation Transmission Special Service District	Providence City	Salina City
Neola Community Park District	Oquirrh Recreation/Parks District	Provo Housing Authority	Salt Lake City Mosquito Abatement District
Neola Water and Sewer District	Orangeville City	Randolph Fire District	Salt Lake County Service #3
Nephi City	Orderville Town	Randolph Town	San Juan County Water Conservancy District
New Harmony Town	Panguitch City	Redmond Town	San Juan Counseling Mental Health
New Harmony Valley Special Service District	Paradise Town	Richmond Cemetery Maintenance District	San Juan County Transportation
Newton Town	Paragonah Town	Richmond City	Sandy Suburban Improvement District
Nibley City	Parowan City	River Heights City	Sanpete Conservation District
North Fork Special Service District	Paunsaugunt Cliffs Special Service District	Riverdale City	
North Logan City	Payson City	Riverside Cemetery Maintenance District	

Sanpete County Fire Special Service District	South Salt Lake Valley Mosquito Abatement District	Summit Mosquito Abatement District	Tridell-Lapoint Water Improvement District
Santa Clara City	South Valley Sewer District	Sunnyside City	Tropic Town
Santaquin City	South Valley Water Reclamation Facility	Sunset City Corporation	Uintah Animal Control and Shelter Special Service District
Scipio Town	South Weber City	Syracuse City	Uintah Basin AOG
Scofield Reservoir Special Service District	South Weber Water Improvement District	Tabby Valley Parks and Recreation Special Service District	Uintah Basin Assistance Council
Scofield Town	Southeastern Association of Governments	Tabiona Town	Uintah Basin Narcotics Strike
South Utah Valley Electric Services District	Southern Utah Valley Power Systems	Taylor/West Weber Water	Uintah Care Center
Sevier Conservation District	Southwest Mosquito Abatement and Control	Taylorville City	Uintah City
Sevier County Special Service District #1	Southwestern Special Service District	Teasdale Special Service District	Uintah County
Sigurd Town	Spanish Fork City	Thatcher/Penrose Fire Department	Uintah County/Vernal Interlocal
Six County Association of Governments	Spring City	Thompson Special Service District	Uintah Fire Suppression Special Service District
Skyline Mountain Special Service District	Springdale Town	Ticaboo Special Service District	Uintah Highlands Improvement District
Smithfield City Corp.	St. George City	Timberline Special Service District	Uintah Impact Mitigation/Economic Development Special Service District
Snowville Town	St. George Housing Authority	Timpanogos Special Service District	Uintah Mosquito Abatement District
Snyderville Basin Recreation District	Stansbury Park Improvement District	Tooele Valley Mosquito Abatement District	Uintah Recreation District
Snyderville Basin Water Reclamation District	Stansbury Service Agency	Toquerville City	Uintah Transportation Special Service District
Solid Waste Special Service District #1	Sterling Town	Torrey Town	Uintah Water Conservancy District
South Davis Metro Fire Agency	Stockton Town	Trans-Jordan Cities	Unified Fire Authority
South Davis Sewer District	Sugar House Park Authority	Tremonton City	Upper Country Water Improvement District
South Davis Water District	Summit County	Tremonton/Garland Drainage District	
South Ogden City	Summit County Service Area #3	Trenton Town	

Utah Association of Conservation District	Wasatch County Fire Protection Special Service District	West Millard Mosquito Abatement District
Utah Association of Counties	Wasatch Front Regional Council	West Point City
Utah Association of Special Service Districts	Wasatch Integrated Waste Management	West Warren Community Park
Utah County	Wasatch Mental Health Services Special Service District	Western Kane County Special Service District #1
Utah League of Cities and Towns	Washington City	Western States Water Council
Utah Local Governments Trust	Washington County Water Cons District	White City Water Improvement District
Utah Municipal Finance #2	Washington County Economic Development Council	White Hills Special Service District
Utah Municipal Finance Co-op	Washington Terrace City	Willard City
Utah Municipal Power Agency	Weber Basin Water Conservancy District	Wolf Creek Sewer District
Utah Valley Dispatch Special Service District	Weber County Service Area #5 Liberty Park	Woodland Hills City
UTOPIA	Weber Human Services	Woodruff Cemetery Maintenance District
Vernal City	Weber Mosquito Abatement District	Woodruff Fire District
Vernon Town	Weber/Morgan Narcotics Strike Force	Woodruff Town
Vernon Water Works Special Service District	Wellington City	Woods Cross City
Vineyard Town	Wellsville City	Woods Cross City Redevelopment Agency
Virgin Town	Wendover City	
Wales Town	West Bountiful City	
Warren/West Warren Water Improvement District	West Corinne Water Company	
Wasatch County	West Haven City	
	West Haven Special Service District	



ULGT 2010



UTAH LOCAL GOVERNMENTS TRUST

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