

Report Criteria:

Detail report type printed

Vendor.Name = (NOT LIKE) "%WELLS FARGO BANK, N.A.%"

Vendor Number	Name	Invoice Number	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
1430	CASELLE, INC	74617	Contract Support & Mainte	1	08/01/2016	1,150.00	.00	1,150.00	51836	08/23/2016
Total 1430:						1,150.00	.00	1,150.00		
1535	COX COMMUNICATIONS	5301	Internet Service 100 Morni	1	08/10/2016	117.41	.00	117.41	51837	08/23/2016
		7601.08116	Internet Service 81 Elkhorn	1	08/01/2016	102.40	.00	102.40	51837	08/23/2016
Total 1535:						219.81	.00	219.81		
2055	IDAHO POWER	0641.080216	Juniper/Elkhorn Rd Light	1	08/02/2016	4.48	.00	4.48	51840	08/23/2016
		9457.072216	100 Arrowleaf cell / Sun Va	1	07/22/2016	1,055.07	.00	1,055.07	51840	08/23/2016
Total 2055:						1,059.55	.00	1,059.55		
2125	INTERMOUNTAIN GAS C	30002.07221	81 Elkhorn	1	07/22/2016	18.59	.00	18.59	51841	08/23/2016
		30002.08091	100 Arrowleaf	1	07/22/2016	17.83	.00	17.83	51841	08/23/2016
		30009.08091	81 Elkhorn account 423843	1	07/22/2016	25.34	.00	25.34	51841	08/23/2016
Total 2125:						61.76	.00	61.76		
3030	STATE INSURANCE FUN	14109391	Payroll Report Premium Jul	1	08/05/2016	5,993.00	.00	5,993.00	51845	08/23/2016
Total 3030:						5,993.00	.00	5,993.00		
3045	STATE TAX COMMISSIO	073116	July 2016 state tax	1	07/31/2016	7,308.00	.00	7,308.00	51846	08/23/2016
Total 3045:						7,308.00	.00	7,308.00		
3253	UNITED OIL	832491	Fuel for all Police departme	1	07/31/2016	623.20	.00	623.20	51848	08/23/2016
		833715	Fuel for all Police departme	1	08/15/2016	560.11	.00	560.11	51848	08/23/2016
		833716	Fuel for all Fire department	1	08/15/2016	445.83	.00	445.83	51848	08/23/2016
		833717	August 2016 fuel purchase	1	08/15/2016	141.84	.00	141.84	51854	08/26/2016
		833718	Fuel for CD Vehicle	1	08/15/2016	44.81	.00	44.81	51848	08/23/2016
Total 3253:						1,815.79	.00	1,815.79		
4093	MAILFINANCE	N6042824	Lease Payment - postage	1	07/19/2016	274.67	.00	274.67	51842	08/23/2016
Total 4093:						274.67	.00	274.67		
4135	NATIONAL BENEFITS AD	549439	FSA & HRA admin. fees fo	1	07/31/2016	163.20	.00	163.20	51849	08/23/2016
		CP136187	FSA/HRA fees for July, 20	1	07/31/2016	3,219.66	.00	3,219.66	51843	08/23/2016
Total 4135:						3,382.86	.00	3,382.86		
4288	GRANICUS, INC.	72510	Monthly Service December	1	12/31/2015	601.12	.00	601.12	51838	08/23/2016
		78637	Monthly Service August, 20	1	07/15/2016	601.12	.00	601.12	51838	08/23/2016
		79373	Monthly Service Sept. 201	1	08/15/2016	601.12	.00	601.12	51852	08/26/2016
Total 4288:						1,803.36	.00	1,803.36		
4403	GREAT AMERICA FINAN	19073799	Sharp Copier Lease - Fire	1	07/18/2016	105.00	.00	105.00	51839	08/23/2016
		19141042	Copier lease - Admin - July	1	07/29/2016	199.00	.00	199.00	51839	08/23/2016

Vendor Number	Name	Invoice Number	Description	Seq	Invoice Date	Invoice Amount	Discount Amount	Check Amount	Check Number	Check Issue Date
		19141043	Copier lease - Police - July,	1	07/29/2016	89.00	.00	89.00	51839	08/23/2016
		19230212	Sharp Copier Lease - Fire	1	08/16/2016	105.00	.00	105.00	51853	08/26/2016
Total 4403:						498.00	.00	498.00		
4679	SUN VALLEY AIR SERVIC	060116	June 2016 1% Air Service	1	06/01/2016	46,565.24	.00	46,565.24	51847	08/23/2016
		060116	Direct cost deduction	2	06/01/2016	572.50-	.00	572.50-	51847	08/23/2016
Total 4679:						45,992.74	.00	45,992.74		
4761	Neopost USA Inc	14588327	Ink Cartridge for NEPOST	1	07/15/2015	196.11	.00	196.11	51844	08/23/2016
Total 4761:						196.11	.00	196.11		
Grand Totals:						69,755.65	.00	69,755.65		

Report Criteria:

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Vendor Name = (NOT LIKE) "%WELLS FARGO BANK, N.A.%"

CITY OF SUN VALLEY
 COMBINED CASH INVESTMENT
 JULY 31, 2016

COMBINED CASH ACCOUNTS

01-102-000	CASH-CHECKING-GEN-WELLS FARGO	804,033.64
01-102-003	CREDIT CARD-GEN-WELLS FARGO	691.41
01-103-000	PETTY CASH	134.00
01-110-100	RETURNED CHECKS CLEARING	10.00
01-110-200	BUSINESS TAX CLEARING	(2,565.99)
01-151-000	INVESTEMENT - IDAHO STATE POOL	3,350,196.61
01-151-002	FAIRWAY BOND - ID INVEST POOL	3,585.82
01-151-008	INVESTEMENT - WELLS FARGO	500,000.00
	TOTAL COMBINED CASH	4,656,085.49
01-101-000	CASH ALLOCATED TO OTHER FUNDS	(5,103,804.80)
	TOTAL UNALLOCATED CASH	(447,719.31)

CASH ALLOCATION RECONCILIATION

10	ALLOCATION TO GENERAL FUND	5,242,195.48
29	ALLOCATION TO FIXED ASSET REPLACEMENT FUND	(792,347.43)
30	ALLOCATION TO DEBT SERVICE FUND	9,521.91
40	ALLOCATION TO LAND ACQUISTION FUND	371,763.43
42	ALLOCATION TO WORKFORCE HOUSING FUND	142,005.90
50	ALLOCATION TO CAPITAL IMPROVEMENT FUND	(65,056.00)
52	ALLOCATION TO SPF	195,721.51
	TOTAL ALLOCATIONS TO OTHER FUNDS	5,103,804.80
	ALLOCATION FROM COMBINED CASH FUND - 01-101000	(5,103,804.80)
	ZERO PROOF IF ALLOCATIONS BALANCE	.00

CITY OF SUN VALLEY
BALANCE SHEET
JULY 31, 2016

GENERAL FUND

ASSETS

10-101-000	CASH - COMBINED FUND	5,242,195.48	
10-105-000	TAXES RECEIVABLE - CURRENT	30,456.00	
10-107-000	TAXES RECEIVABLE - DELINQUENT	616.65	
10-108-000	LOCAL OPTION TAXES- RECEIVABLE	71,942.82	
10-115-000	OTHER ACCOUNTS RECEIVABLE	5,272.54	
10-120-000	DUE FROM OTHER GOVERNMENTS	185,297.49	
	TOTAL ASSETS		5,535,780.98

LIABILITIES AND EQUITY

LIABILITIES

10-203-000	ACCOUNTS PAYABLE	156,422.30	
10-213-000	SALES TAX PAYABLE	92,349.52	
10-216-000	SALARIES & WAGES PAYABLE	105,720.44	
10-217-100	FICA PAYABLE	(744.67)	
10-217-200	FEDERAL WITHHOLDING PAYABLE	23,251.21	
10-217-300	STATE WITHHOLDING PAYABLE	20,209.08	
10-217-400	WORKERS COMPENSATION PAYABLE	20,453.47	
10-217-450	RETIREMENT (PERS) PAYABLE	37,444.29	
10-217-550	HEALTH INSURANCE PAYABLE	28,658.97	
10-217-560	HRA & FSA SEC. DEP.	(7,768.01)	
10-217-600	LIFE INSURANCE PAYABLE	550.52	
10-217-700	GARNISHMENT PAYABLE	(5,523.06)	
10-217-750	EVENT PERMIT DEPOSIT PAYABLE	1,360.00	
10-217-900	FLEX SPENDING PAYABLE	15,831.23	
10-225-100	DEFERRED REVENUE - TAXES, PROP	18,927.77	
	TOTAL LIABILITIES		507,143.06

FUND EQUITY

10-260-000	FUND BALANCE - RESERVED	1,271,633.00	
	UNAPPROPRIATED FUND BALANCE:		
10-271-000	FUND BALANCE - BEGINNING OF YR	2,525,981.87	
	REVENUE OVER EXPENDITURES - YTD	857,110.50	
	BALANCE - CURRENT DATE	3,383,092.37	
	TOTAL FUND EQUITY		4,654,725.37
	TOTAL LIABILITIES AND EQUITY		5,161,868.43

CITY OF SUN VALLEY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>GENERAL PROPERTY TAXES</u>					
10-311-100 GENERAL PROPERTY TAXES REAL	707,061.42	2,534,928.67	2,453,848.00	(81,080.67)	103.3
10-311-300 PROPERTY TAXES INEREST&PENALTY	942.52	4,239.25	10,000.00	5,760.75	42.4
TOTAL GENERAL PROPERTY TAXES	708,003.94	2,539,167.92	2,463,848.00	(75,319.92)	103.1
<u>LOCAL OPTION TAXES</u>					
10-313-100 LOCAL OPTION TAX - LIQUOR 3%	5,491.89	62,328.58	60,000.00	(2,328.58)	103.9
10-313-200 LOCAL OPTION TAX - LODGING 3%	54,417.22	434,985.65	470,000.00	35,014.35	92.6
10-313-300 LOCAL OPTION TAX - RETAIL 3%	71,490.06	566,288.72	690,000.00	123,711.28	82.1
10-313-600 LOCAL OPTION TAX - AIR SER 1%	47,005.28	398,823.86	406,667.00	7,843.14	98.1
10-313-700 PENALTIES & INTEREST - L.O.T.	11.52	81.96	500.00	418.04	16.4
TOTAL LOCAL OPTION TAXES	178,415.97	1,462,508.77	1,627,167.00	164,658.23	89.9
<u>BUSINESS & FRANCHISE TAXES</u>					
10-316-110 GAS FRANCHISE	.00	74,555.93	70,000.00	(4,555.93)	106.5
10-316-120 CABLE FRANCHISE	.00	43,642.74	55,000.00	11,357.26	79.4
TOTAL BUSINESS & FRANCHISE TAXES	.00	118,198.67	125,000.00	6,801.33	94.6
<u>BUSINESS LICENSES & PERMITS</u>					
10-321-100 BEER, LIQUOR & WINE LICENSES	2,500.00	2,690.00	2,000.00	(690.00)	134.5
10-321-200 MUNICIPAL TAX PERMITS	280.00	860.00	300.00	(560.00)	286.7
10-321-300 TEMP MUNICIPAL TAX PERMITS	.00	10.00	2,000.00	1,990.00	.5
TOTAL BUSINESS LICENSES & PERMITS	2,780.00	3,560.00	4,300.00	740.00	82.8
<u>NON-BUSINESS LICENSES & PERMIT</u>					
10-322-110 BUILDING PERMITS	21,357.98	243,460.69	200,000.00	(43,460.69)	121.7
TOTAL NON-BUSINESS LICENSES & PERMIT	21,357.98	243,460.69	200,000.00	(43,460.69)	121.7
<u>STATE OF IDAHO SHARED REVENUES</u>					
10-335-100 STATE LIQUOR APPORTIONMENT	.00	1,104.00	2,208.00	1,104.00	50.0
10-335-500 STATE SALES TAX	.00	329,946.69	722,454.00	392,507.31	45.7
TOTAL STATE OF IDAHO SHARED REVENUES	.00	331,050.69	724,662.00	393,611.31	45.7

CITY OF SUN VALLEY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>GENERAL GOVERNMENT</u>					
10-341-100 ENGINEERING REIMBURSABLES	938.00	3,686.00	10,000.00	6,314.00	36.9
10-341-110 APPLICATION FEES	250.00	7,962.50	10,000.00	2,037.50	79.6
10-341-120 PUBLIC NOTICE REIMBURSABLES	.00	.00	3,000.00	3,000.00	.0
TOTAL GENERAL GOVERNMENT	1,188.00	11,648.50	23,000.00	11,351.50	50.7
<u>FINES</u>					
10-361-901 TRAFFIC FINES	128.00	545.00	500.00	(45.00)	109.0
10-361-902 MOTOR VEHICLE TAX	179.55	5,059.35	6,000.00	940.65	84.3
TOTAL FINES	307.55	5,604.35	6,500.00	895.65	86.2
<u>INTEREST EARNINGS</u>					
10-371-100 INTEREST REVENUES	.00	2,313.33	4,000.00	1,686.67	57.8
TOTAL INTEREST EARNINGS	.00	2,313.33	4,000.00	1,686.67	57.8
<u>MISCELLANEOUS</u>					
10-379-252 POLICE TRUST ACCOUNT	.00	11,750.00	8,500.00	(3,250.00)	138.2
10-379-260 FIRE TRUST ACCOUNT	.00	8,500.00	8,500.00	.00	100.0
10-379-300 OTHER REVENUES	3,633.42	31,026.83	30,000.00	(1,026.83)	103.4
10-379-301 WILDLAND REIMBURSEMENTS	.00	144,557.87	20,000.00	(124,557.87)	722.8
TOTAL MISCELLANEOUS	3,633.42	195,834.70	67,000.00	(128,834.70)	292.3
<u>TRANSFER FROM RESERVES</u>					
10-381-001 TRANS FROM FUND BALANCE	.00	.00	16,604.00	16,604.00	.0
TOTAL TRANSFER FROM RESERVES	.00	.00	16,604.00	16,604.00	.0
TOTAL FUND REVENUE	915,686.86	4,913,347.62	5,262,081.00	348,733.38	93.4

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>LEGISLATIVE</u>					
10-411-110 SALARIES AND WAGES	7,161.96	50,329.60	69,000.00	18,670.40	72.9
10-411-210 FICA CONTRIBUTION	275.03	2,866.46	5,279.00	2,412.54	54.3
10-411-220 RETIREMENT CONTRIBUTION	537.70	5,377.00	7,810.00	2,433.00	68.9
10-411-240 WORKERS COMPENSATION	11.88	118.80	300.00	181.20	39.6
10-411-250 HEALTH INSURANCE	1,624.41	21,657.23	47,017.00	25,359.77	46.1
10-411-429 PROFESSIONAL FEES	601.12	6,581.30	7,500.00	918.70	87.8
10-411-470 TRAVEL & TRAINING	.00	134.20	.00	(134.20)	.0
10-411-474 TRAVEL FOR LEGAL PROCEEDINGS	.00	.00	2,500.00	2,500.00	.0
10-411-475 MEETINGS, CONVENTIONS & CONF.	.00	349.62	2,500.00	2,150.38	14.0
10-411-476 CITY FUNCTIONS	191.28	549.15	2,700.00	2,150.85	20.3
10-411-689 MARKETING SERVICES	.00	80,369.12	275,000.00	194,630.88	29.2
10-411-690 MAYOR	.00	3.25	.00	(3.25)	.0
10-411-692 ECONOMIC DEV/CULTURAL INFO SER	.00	123,083.30	8,500.00	(114,583.30)	1448.0
10-411-694 PUBLIC TRANSIT SERVICES	66,250.00	198,750.00	265,000.00	66,250.00	75.0
10-411-740 OFFICE FURNITURE & EQUIPMENT	.00	1,806.80	1,500.00	(306.80)	120.5
10-411-850 AIR SERVICE 1% LOT	25,793.92	389,783.53	399,443.00	9,659.47	97.6
TOTAL LEGISLATIVE	102,447.30	881,759.36	1,094,049.00	212,289.64	80.6

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ADMINISTRATION</u>					
10-415-110 SALARIES AND WAGES	27,830.54	273,032.87	321,643.00	48,610.13	84.9
10-415-120 MERIT INCREASES ALL CLASS EMPL	.00	.00	55,040.00	55,040.00	.0
10-415-200 PHYSICAL INCENTIVE PROGRAM	.00	.00	1,600.00	1,600.00	.0
10-415-210 FICA CONTRIBUTION	1,364.01	18,973.56	28,816.00	9,842.44	65.8
10-415-220 RETIREMENT CONTRIBUTION	2,046.44	28,536.84	42,641.00	14,104.16	66.9
10-415-240 WORKERS COMPENSATION	144.47	2,192.21	3,000.00	807.79	73.1
10-415-250 HEALTH INSURANCE	8,336.17	48,052.75	49,324.00	1,271.25	97.4
10-415-260 LIFE INSURANCE	120.00	1,078.80	2,700.00	1,621.20	40.0
10-415-270 MERIT TAXES/PERSI/WC	13.58	(11.42)	.00	11.42	.0
10-415-280 STATE UNEMPLOYMENT	18.88	342.68	.00	(342.68)	.0
10-415-310 OFFICE SUPPLIES	363.52	4,937.38	12,500.00	7,562.62	39.5
10-415-315 JANITORIAL SUPPLIES	132.64	2,218.53	1,200.00	(1,018.53)	184.9
10-415-320 OPERATING SUPPLIES	.00	288.00	.00	(288.00)	.0
10-415-350 MOTOR FUELS & LUBRICANTS	.00	43.25	150.00	106.75	28.8
10-415-360 COMPUTER SUPPLIES	.00	314.69	.00	(314.69)	.0
10-415-370 POSTAGE	.00	1,086.98	1,600.00	513.02	67.9
10-415-420 PROFESSIONAL FEES	885.60	13,319.78	4,000.00	(9,319.78)	333.0
10-415-421 AUDIT	.00	.00	14,000.00	14,000.00	.0
10-415-425 ATTORNEY FEES	4,900.52	31,538.20	50,452.00	18,913.80	62.5
10-415-426 ATTORNEY FEES-SPECIAL COUNSEL	.00	3,000.00	35,000.00	32,000.00	8.6
10-415-427 COMPUTER CONSULTANTS	1,232.50	20,396.00	30,000.00	9,604.00	68.0
10-415-435 WEBSITE	.00	700.00	1,000.00	300.00	70.0
10-415-440 ADVERTISING & LEGAL PUBLISHING	.00	251.08	4,000.00	3,748.92	6.3
10-415-465 INSURANCE - LIABILITY FUND	.00	45,311.00	95,622.00	50,311.00	47.4
10-415-470 TRAVEL, TRAINING & MEETINGS	620.00	3,923.84	9,000.00	5,076.16	43.6
10-415-476 CITY FUNCTIONS	.00	750.00	7,500.00	6,750.00	10.0
10-415-480 DUES/SUBSCRIPTIONS/MEMBERSHIPS	1,150.00	17,874.28	17,082.00	(792.28)	104.6
10-415-500 CUSTODIAL & CLEANING SERVICES	1,294.20	10,654.20	15,000.00	4,345.80	71.0
10-415-510 TELEPHONE & COMMUNICATIONS	1,366.96	12,807.08	15,000.00	2,192.92	85.4
10-415-521 UTILITIES	1,099.11	21,080.51	30,000.00	8,919.49	70.3
10-415-540 RENTAL - OFFICE FURN & EQUIP	304.00	4,219.51	3,000.00	(1,219.51)	140.7
10-415-580 REPAIR/MAINT - OFFICE FURN/EQ	.00	.00	1,000.00	1,000.00	.0
10-415-585 REPAIR & MAINT - BUILDINGS	.00	983.64	2,000.00	1,016.36	49.2
10-415-600 REPAIR/MAINT - AUTOMOTIVE EQ	.00	.00	500.00	500.00	.0
10-415-680 BANK CHARGES	302.79	28,328.77	1,800.00	(26,528.77)	1573.8
10-415-740 OFFICE EQPMT, COMPUTER EQPMT	.00	2,250.86	5,268.00	3,017.14	42.7
TOTAL ADMINISTRATION	53,525.93	598,475.87	861,438.00	262,962.13	69.5

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>COMMUNITY DEVELOPMENT</u>					
10-418-110 SALARIES AND WAGES	28,949.63	218,781.68	225,522.00	6,740.32	97.0
10-418-140 SALARIES AND WAGES-TEMP EMPLOY	2,251.40	17,767.61	41,230.00	23,462.39	43.1
10-418-200 PHYSICAL INCENTIVE PROGRAM	.00	800.00	1,600.00	800.00	50.0
10-418-210 FICA CONTRIBUTION	1,648.80	18,485.79	20,407.00	1,921.21	90.6
10-418-220 RETIREMENT CONTRIBUTION	2,462.22	29,891.71	25,529.00	(4,362.71)	117.1
10-418-240 WORKERS COMPENSATION	245.76	2,667.93	2,700.00	32.07	98.8
10-418-250 HEALTH INSURANCE	1,650.64	16,217.10	28,410.00	12,192.90	57.1
10-418-285 EXPENSE REIMBURSEMENT	2,126.62	22,344.25	21,000.00	(1,344.25)	106.4
10-418-290 PLANNING BUS EXP	.00	125.00	1,000.00	875.00	12.5
10-418-310 OFFICE SUPPLIES	99.99	1,880.57	4,500.00	2,619.43	41.8
10-418-350 MOTOR FUELS & LUBRICANTS	.00	622.67	3,000.00	2,377.33	20.8
10-418-390 SPECIAL DEPARTMENT EXPENSE	.00	13,706.42	.00	(13,706.42)	.0
10-418-420 PROFESSIONAL FEES	.00	369.75	10,000.00	9,630.25	3.7
10-418-422 ENGINEERING	.00	3,097.86	10,000.00	6,902.14	31.0
10-418-423 CONTRACT LABOR	4,402.09	17,608.36	31,000.00	13,391.64	56.8
10-418-437 COMP PLAN	.00	1,593.62	3,000.00	1,406.38	53.1
10-418-440 ADVERTISING & LEGAL PUBLISHING	1,388.19	3,143.18	10,000.00	6,856.82	31.4
10-418-470 TRAVEL, TRAINING & MEETINGS	.00	5,906.68	8,500.00	2,593.32	69.5
10-418-480 DUES/SUBSCRIPTIONS/MEMBERSHIPS	.00	8,219.81	2,000.00	(6,219.81)	411.0
10-418-490 TRAINING	.00	177.00	.00	(177.00)	.0
10-418-510 TELEPHONE & COMMUNICATIONS	518.71	1,638.78	1,500.00	(138.78)	109.3
10-418-600 REPAIR/MAINT - AUTOMOTIVE EQ	.00	759.70	3,000.00	2,240.30	25.3
10-418-740 OFFICE FURNITURE & EQUIPMENT	.00	3,265.11	3,500.00	234.89	93.3
TOTAL COMMUNITY DEVELOPMENT	45,744.05	389,070.58	457,398.00	68,327.42	85.1
<u>OTHER GENERAL GOVERNMENT</u>					
10-419-800 CONTINGENCY	.00	.00	50,000.00	50,000.00	.0
TOTAL OTHER GENERAL GOVERNMENT	.00	.00	50,000.00	50,000.00	.0

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>POLICE DEPARTMENT</u>					
10-421-110 SALARIES AND WAGES	85,187.93	602,967.00	681,183.00	78,216.00	88.5
10-421-120 SALARIES & WAGES-PART TIME	262.36	804.55	.00	(804.55)	.0
10-421-122 OVERTIME SALARIES	6,441.64	25,530.52	30,000.00	4,469.48	85.1
10-421-200 PHYSICAL INCENTIVE PROGRAM	.00	2,427.26	4,400.00	1,972.74	55.2
10-421-210 FICA CONTRIBUTION	4,437.95	44,828.26	54,405.00	9,576.74	82.4
10-421-220 RETIREMENT CONTRIBUTION	5,947.86	59,849.38	82,924.00	23,074.62	72.2
10-421-240 WORKERS COMPENSATION	1,825.47	18,373.78	21,000.00	2,626.22	87.5
10-421-250 HEALTH INSURANCE	8,834.67	91,810.09	135,707.00	43,896.91	67.7
10-421-310 OFFICE SUPPLIES	43.48	2,088.93	1,800.00	(288.93)	116.1
10-421-315 JANITORIAL SUPPLIES	75.72	393.64	800.00	406.36	49.2
10-421-320 OPERATING SUPPLIES	11.86	2,824.48	4,000.00	1,175.52	70.6
10-421-321 POLICE TRUST ACCOUNT	.00	9,141.44	5,000.00	(4,141.44)	182.8
10-421-340 MINOR EQUIPMENT	165.75	8,265.22	10,000.00	1,734.78	82.7
10-421-345 SAFETY EQUIPMENT	.00	.00	500.00	500.00	.0
10-421-347 RECORDS MGT SYSEM-POL/FIRE	.00	20,443.00	20,443.00	.00	100.0
10-421-348 COMM-POLICE/FIRE DISPATCH	.00	97,890.37	96,656.00	(1,234.37)	101.3
10-421-350 MOTOR FUELS & LUBRICANTS	921.13	7,677.93	14,500.00	6,822.07	53.0
10-421-370 POSTAGE	.00	63.98	200.00	136.02	32.0
10-421-424 MEDICAL SERVICES	.00	.00	500.00	500.00	.0
10-421-426 INVESTIGATIVE EXPERT SERVICES	.00	940.00	2,500.00	1,560.00	37.6
10-421-428 PROSECUTION OF MISDEMEANORS	.00	23,901.00	23,901.00	.00	100.0
10-421-470 TRAVEL, TRAINING & MEETINGS	905.00	10,948.88	10,000.00	(948.88)	109.5
10-421-480 DUES/SUBSCRIPTIONS/MEMBERSHIPS	145.00	1,481.25	4,000.00	2,518.75	37.0
10-421-493 PHYSICAL EXAMINATIONS	.00	.00	500.00	500.00	.0
10-421-510 TELEPHONE & COMMUNICATIONS	1,082.83	2,344.94	5,500.00	3,155.06	42.6
10-421-595 REPAIR & MAINT - EQUIPMENT	103.00	286.67	1,000.00	713.33	28.7
10-421-600 REPAIR/MAINT - AUTOMOTIVE EQ	.00	3,934.10	5,500.00	1,565.90	71.5
10-421-610 REPAIR/MAINT - OTHER	219.00	1,052.00	3,000.00	1,948.00	35.1
10-421-615 REPAIR/MAINT - RADIO SERVICE	252.00	997.69	3,000.00	2,002.31	33.3
10-421-630 LAUNDRY	375.80	2,622.40	2,250.00	(372.40)	116.6
10-421-665 UNIFORMS - POLICE	47.99	3,268.86	4,500.00	1,231.14	72.6
10-421-695 VEHICLE TOWING	.00	.00	250.00	250.00	.0
10-421-740 OFFICE FURNITURE & EQUIPMENT	.00	1,970.10	5,000.00	3,029.90	39.4
10-421-753 RADIOS-HANDHELD	.00	.00	5,400.00	5,400.00	.0
10-421-770 ANIMAL CONTROL	.00	2,000.00	2,500.00	500.00	80.0
TOTAL POLICE DEPARTMENT	117,286.44	1,051,127.72	1,242,819.00	191,691.28	84.6

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>FIRE DEPARTMENT</u>					
10-423-110 SALARIES AND WAGES - FTE	48,857.26	343,220.13	373,851.00	30,630.87	91.8
10-423-120 WAGES - ON CALL FF	6,944.50	82,808.00	87,050.00	4,242.00	95.1
10-423-122 OVERTIME SALARIES	3,556.92	12,425.00	5,000.00	(7,425.00)	248.5
10-423-130 WAGES- WILDLAND	4,576.33	95,429.31	10,000.00	(85,429.31)	954.3
10-423-140 WAGES-TEMP EMPLOYEE	.00	300.00	.00	(300.00)	.0
10-423-145 WAGES - PT EMPLOYEE	730.76	5,379.69	42,226.00	36,846.31	12.7
10-423-200 PHYSICAL INCENTIVE PROGRAM	.00	.00	2,400.00	2,400.00	.0
10-423-210 FICA CONTRIBUTION	3,511.36	33,820.02	40,295.00	6,474.98	83.9
10-423-220 RETIREMENT CONTRIBUTION	4,446.93	41,338.64	50,100.00	8,761.36	82.5
10-423-240 WORKERS COMP & SUPPLMTL ACCDT	1,650.76	15,582.56	16,000.00	417.44	97.4
10-423-250 HEALTH INSURANCE	4,962.39	48,611.34	77,984.00	29,372.66	62.3
10-423-310 OFFICE SUPPLIES	58.57	1,246.85	3,200.00	1,953.15	39.0
10-423-315 JANITORIAL SUPPLIES	.00	240.03	1,500.00	1,259.97	16.0
10-423-320 OPERATING SUPPLIES	.00	3,459.44	10,000.00	6,540.56	34.6
10-423-325 MEDICAL SAFETY SUPPLIES	66.31	4,408.66	10,000.00	5,591.34	44.1
10-423-340 MINOR TOOLS	.00	250.23	3,200.00	2,949.77	7.8
10-423-350 MOTOR FUELS & LUBRICANTS	2,212.72	6,758.31	12,000.00	5,241.69	56.3
10-423-360 MOTOR FUELS & LUBRICANTS - WLF	.00	233.70	5,000.00	4,766.30	4.7
10-423-370 POSTAGE	.00	14.05	.00	(14.05)	.0
10-423-470 TRAVEL, TRAINING & MEETINGS	900.16	30,791.15	31,600.00	808.85	97.4
10-423-480 DUES/SUBSCRIPTIONS/MEMBERSHIPS	174.15	8,508.83	5,200.00	(3,308.83)	163.6
10-423-510 TELEPHONE & COMMUNICATIONS	1,205.56	6,983.69	9,300.00	2,316.31	75.1
10-423-555 RENTAL - EQUIPMENT	.00	1,380.00	2,500.00	1,120.00	55.2
10-423-570 RENTAL - OTHER	.00	.00	1,500.00	1,500.00	.0
10-423-575 EQUIPMENT PURCHASE-NON CAPITAL	.00	2,934.20	12,000.00	9,065.80	24.5
10-423-576 TURNOUTS- REPLACEMENT & MAINT.	365.00	2,285.59	12,000.00	9,714.41	19.1
10-423-585 REPAIR/MAINT - BUILDINGS	1,723.40	4,540.69	5,000.00	459.31	90.8
10-423-590 REPAIR/MAINT - GROUNDS	75.00	486.35	7,000.00	6,513.65	7.0
10-423-591 WILDLAND EQUIP REIMB	.00	442.72	.00	(442.72)	.0
10-423-595 REPAIR & MAINT - EQUIPMENT	1,002.30	9,939.26	16,000.00	6,060.74	62.1
10-423-600 REPAIR/MAINT - AUTOMOTIVE EQ	275.41	3,133.88	21,100.00	17,966.12	14.9
10-423-615 REPAIR/MAINT - RADIO SERVICE	81.00	3,543.80	5,000.00	1,456.20	70.9
10-423-620 RADIO AND ANTENNA LEASE	.00	903.48	3,400.00	2,496.52	26.6
10-423-630 LAUNDRY	125.44	134.09	1,500.00	1,365.91	8.9
10-423-631 UNIFORMS	316.88	7,415.28	12,000.00	4,584.72	61.8
10-423-635 COM AT RISK FIRE GRANT PROJECT	.00	.00	5,000.00	5,000.00	.0
10-423-740 OFFICE FURNITURE & EQUIPMENT	.00	.00	5,900.00	5,900.00	.0
10-423-910 TRAVEL & TRAINING - CE	.00	3,676.90	5,000.00	1,323.10	73.5
10-423-920 OFC/OPERATING SUPPLIES - CE	.00	.00	1,165.00	1,165.00	.0
10-423-930 TOOLS & SUPPLIES - CE	.00	.00	250.00	250.00	.0
TOTAL FIRE DEPARTMENT	87,819.11	782,625.87	912,221.00	129,595.13	85.8

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>STREET DEPARTMENT</u>					
10-431-110 SALARIES AND WAGES	24,461.20	188,413.36	208,189.00	19,775.64	90.5
10-431-120 SALARIES & WAGES - PART TIME	.00	.00	7,000.00	7,000.00	.0
10-431-122 OVERTIME SALARIES	.00	2,567.70	5,000.00	2,432.30	51.4
10-431-200 PHYSICAL INCENTIVE PROGRAM	.00	400.00	1,200.00	800.00	33.3
10-431-210 FICA CONTRIBUTION	1,202.21	13,164.70	17,501.00	4,336.30	75.2
10-431-220 RETIREMENT CONTRIBUTION	1,857.65	20,194.93	25,107.00	4,912.07	80.4
10-431-240 WORKERS COMPENSATION	874.55	9,471.19	12,000.00	2,528.81	78.9
10-431-250 HEALTH INSURANCE	3,186.74	33,082.30	50,459.00	17,376.70	65.6
10-431-310 OFFICE SUPPLIES	.00	223.77	.00	(223.77)	.0
10-431-315 JANITORIAL SUPPLIES & LAUNDRY	26.00	473.47	400.00	(73.47)	118.4
10-431-320 OPERATING SUPPLIES	(82.00)	1,783.63	4,000.00	2,216.37	44.6
10-431-340 TOOLS & EQUIPMENT	.00	759.57	2,000.00	1,240.43	38.0
10-431-345 SAFETY EQUIPMENT	.00	.00	500.00	500.00	.0
10-431-350 MOTOR FUELS & LUBRICANTS	399.43	10,112.63	20,000.00	9,887.37	50.6
10-431-440 ADVERTISING & LEGAL PUBLISHING	.00	.00	1,000.00	1,000.00	.0
10-431-470 TRAVEL, TRAINING & MEETINGS	.00	1,024.05	5,500.00	4,475.95	18.6
10-431-510 TELEPHONE SERVICE	414.44	965.44	1,500.00	534.56	64.4
10-431-536 SANDING/MAG CHLORIDE	.00	13,699.19	14,000.00	300.81	97.9
10-431-555 RENTAL - EQUIPMENT	.00	.00	1,000.00	1,000.00	.0
10-431-570 RENT/LEASE - SNOW REMOVAL EQ.	.00	.00	1,000.00	1,000.00	.0
10-431-591 REPAIR/MAINT/CLEANING-STREETS	106.39	6,200.76	4,500.00	(1,700.76)	137.8
10-431-592 STRIPING	.00	8,910.50	29,000.00	20,089.50	30.7
10-431-595 REPAIR/MAINT - LARGE EQUIPMENT	270.07	8,520.20	18,000.00	9,479.80	47.3
10-431-596 REPAIR/MAINT - SMALL EQUIP	.00	524.23	700.00	175.77	74.9
10-431-600 REPAIR/MAINT - AUTO EQUIP	.00	1,969.31	4,000.00	2,030.69	49.2
10-431-610 REPAIR/MAINT - MISC	.00	.00	1,000.00	1,000.00	.0
10-431-614 REPAIR/MAINT-BUILDING	.00	5,015.08	12,000.00	6,984.92	41.8
10-431-620 LANDSCAPE SERVICES	275.00	3,693.60	5,000.00	1,306.40	73.9
10-431-621 NOXIOUS WEED CONTROL	3,875.00	8,377.89	15,000.00	6,622.11	55.9
10-431-631 UNIFORMS	.00	474.15	1,100.00	625.85	43.1
10-431-740 OFFICE FURNITURE & EQUIPMENT	.00	.00	2,000.00	2,000.00	.0
10-431-745 ROADS & PATHS CONDITION RATING	.00	.00	12,000.00	12,000.00	.0
10-431-780 ROADS & PATHS MAINT. PROGRAM	2,037.93	11,802.39	160,000.00	148,197.61	7.4
10-431-790 LAND MAINTENANCE 5 ACRE PARCEL	142.10	533.72	2,500.00	1,966.28	21.4
10-431-800 104 GREY EAGLE ABATEMENT	.00	819.96	.00	(819.96)	.0
TOTAL STREET DEPARTMENT	39,046.71	353,177.72	644,156.00	290,978.28	54.8
TOTAL FUND EXPENDITURES	445,869.54	4,056,237.12	5,262,081.00	1,205,843.88	77.1
NET REVENUE OVER EXPENDITURES	469,817.32	857,110.50	.00	(857,110.50)	.0

CITY OF SUN VALLEY
BALANCE SHEET
JULY 31, 2016

FIXED ASSET REPLACEMENT FUND

ASSETS

29-101-000	CASH - COMBINED FUND	(792,347.43)	
	TOTAL ASSETS		(792,347.43)

LIABILITIES AND EQUITY

FUND EQUITY

	UNAPPROPRIATED FUND BALANCE:		
29-271-000	FUND BALANCE - BEGINNING OF YR	(742,962.14)	
	REVENUE OVER EXPENDITURES - YTD	(135,800.89)	
	BALANCE - CURRENT DATE	(878,763.03)	
	TOTAL FUND EQUITY		(878,763.03)
	TOTAL LIABILITIES AND EQUITY		(878,763.03)

CITY OF SUN VALLEY
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 10 MONTHS ENDING JULY 31, 2016

FIXED ASSET REPLACEMENT FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEARNED</u>	<u>PCNT</u>
<u>SOURCE 399</u>					
29-399-504 TRANS FR GF UN FUND BALANCE	.00	.00	256,926.00	256,926.00	.0
TOTAL SOURCE 399	.00	.00	256,926.00	256,926.00	.0
TOTAL FUND REVENUE	.00	.00	256,926.00	256,926.00	.0

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

FIXED ASSET REPLACEMENT FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
29-490-751 CHIEF 1	.00	46,226.29	45,000.00	(1,226.29)	102.7
29-490-756 AERIAL TOWER	.00	.00	112,426.00	112,426.00	.0
29-490-761 POLICE- PATROL VEHICLE	15,035.67	32,179.10	35,000.00	2,820.90	91.9
29-490-779 NEW ENGINE SUPPORT EQUIPMENT	.00	8,858.50	10,000.00	1,141.50	88.6
29-490-788 STREET VEHICLE	.00	45,141.00	49,500.00	4,359.00	91.2
29-490-789 MAG CHLORIDE TANK	.00	3,396.00	5,000.00	1,604.00	67.9
TOTAL EXPENDITURES	<u>15,035.67</u>	<u>135,800.89</u>	<u>256,926.00</u>	<u>121,125.11</u>	<u>52.9</u>
TOTAL FUND EXPENDITURES	<u>15,035.67</u>	<u>135,800.89</u>	<u>256,926.00</u>	<u>121,125.11</u>	<u>52.9</u>
NET REVENUE OVER EXPENDITURES	<u>(15,035.67)</u>	<u>(135,800.89)</u>	<u>.00</u>	<u>135,800.89</u>	<u>.0</u>

CITY OF SUN VALLEY
 BALANCE SHEET
 JULY 31, 2016

DEBT SERVICE FUND

ASSETS

30-101-000	CASH - COMBINED FUND	9,521.91	
30-107-000	TAXES RECEIVABLE - DELIQUENT	394.89	
		<u> </u>	
	TOTAL ASSETS		<u>9,916.80</u>

LIABILITIES AND EQUITY

LIABILITIES

30-225-100	DEFERRED REVENUE - TAXES, PROP	316.11	
		<u> </u>	
	TOTAL LIABILITIES		316.11

FUND EQUITY

	UNAPPROPRIATED FUND BALANCE:		
30-271-000	FUND BALANCE - BEGINNING OF YR	9,600.69	
		<u> </u>	
	BALANCE - CURRENT DATE	9,600.69	
		<u> </u>	
	TOTAL FUND EQUITY		<u>9,600.69</u>
	TOTAL LIABILITIES AND EQUITY		<u>9,916.80</u>

CITY OF SUN VALLEY
 BALANCE SHEET
 JULY 31, 2016

LAND ACQUISITION FUND

ASSETS

40-101-000	CASH- LAND ACQUISITION	371,763.43	
	TOTAL ASSETS		<u>371,763.43</u>

LIABILITIES AND EQUITY

FUND EQUITY

40-271-000	UNAPPROPRIATED FUND BALANCE: FUND BALANCE - BEGINNING OF YR	<u>371,763.43</u>	
	BALANCE - CURRENT DATE	<u>371,763.43</u>	
	TOTAL FUND EQUITY		<u>371,763.43</u>
	TOTAL LIABILITIES AND EQUITY		<u>371,763.43</u>

CITY OF SUN VALLEY
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 10 MONTHS ENDING JULY 31, 2016

LAND ACQUISITION FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEARNED</u>	<u>PCNT</u>
<u>OPERATING TRANSFERS IN</u>					
40-399-550 TRANSFER FROM LAF FUND BALANCE	.00	.00	242,000.00	242,000.00	.0
TOTAL OPERATING TRANSFERS IN	.00	.00	242,000.00	242,000.00	.0
TOTAL FUND REVENUE	.00	.00	242,000.00	242,000.00	.0

CITY OF SUN VALLEY
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 10 MONTHS ENDING JULY 31, 2016

LAND ACQUISITION FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL PROJECTS</u>					
40-470-850 TRANSFERS OUT TO WFH FUND	.00	.00	242,000.00	242,000.00	.0
TOTAL CAPITAL PROJECTS	.00	.00	242,000.00	242,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	242,000.00	242,000.00	.0
NET REVENUE OVER EXPENDITURES	.00	.00	.00	.00	.0

CITY OF SUN VALLEY
 BALANCE SHEET
 JULY 31, 2016

WORKFORCE HOUSING FUND

ASSETS

42-101-000	CASH- WORKFORCE HOUSING FUND		142,005.90	
	TOTAL ASSETS			142,005.90

LIABILITIES AND EQUITY

FUND EQUITY

	UNAPPROPRIATED FUND BALANCE:			
42-271-000	FUND BALANCE - BEGINNING OF YR	146,903.73		
	REVENUE OVER EXPENDITURES - YTD	(59,111.37)		
	BALANCE - CURRENT DATE		87,792.36	
	TOTAL FUND EQUITY			87,792.36
	TOTAL LIABILITIES AND EQUITY			87,792.36

CITY OF SUN VALLEY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

WORKFORCE HOUSING FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>GENERAL PROPERTY TAXES</u>					
42-311-515 RENTS	767.00	7,601.30	7,000.00	(601.30)	108.6
TOTAL GENERAL PROPERTY TAXES	767.00	7,601.30	7,000.00	(601.30)	108.6
<u>REVENUES</u>					
42-399-400 TRANSFER FROM LAF FUND BAL	.00	.00	242,000.00	242,000.00	.0
42-399-500 TRANSFER FROM WKFC FUND BAL	.00	.00	43,200.00	43,200.00	.0
TOTAL REVENUES	.00	.00	285,200.00	285,200.00	.0
TOTAL FUND REVENUE	767.00	7,601.30	292,200.00	284,598.70	2.6

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

WORKFORCE HOUSING FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WFH PROJECTS</u>					
42-470-210 FICA CONTRIBUTION	106.21	637.51	.00	(637.51)	.0
42-470-220 RETIREMENT CONTRIBUTION	164.67	164.67	.00	(164.67)	.0
42-470-702 EMPLOYEE HOUSING ALLOWANCE	2,866.64	15,766.52	17,200.00	1,433.48	91.7
42-470-703 COMMUNITY HOUSING SERVICES	.00	7,500.00	15,000.00	7,500.00	50.0
42-470-705 CITY OWNED UNITS/UTIL & MAINT	28.31	7,567.90	10,000.00	2,432.10	75.7
42-470-732 ELKHORN FS SLEEPING QTRS	.00	35,076.07	250,000.00	214,923.93	14.0
TOTAL WFH PROJECTS	<u>3,165.83</u>	<u>66,712.67</u>	<u>292,200.00</u>	<u>225,487.33</u>	<u>22.8</u>
TOTAL FUND EXPENDITURES	<u>3,165.83</u>	<u>66,712.67</u>	<u>292,200.00</u>	<u>225,487.33</u>	<u>22.8</u>
NET REVENUE OVER EXPENDITURES	<u>(2,398.83)</u>	<u>(59,111.37)</u>	<u>.00</u>	<u>59,111.37</u>	<u>.0</u>

CITY OF SUN VALLEY
 BALANCE SHEET
 JULY 31, 2016

CAPITAL IMPROVEMENT FUND

ASSETS

50-101-000	CASH - COMBINED FUND	(65,056.00)	
	TOTAL ASSETS			(65,056.00)

LIABILITIES AND EQUITY

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:				
50-271-000	FUND BALANCE - BEGINNING OF YR	(65,056.00)	
	REVENUE OVER EXPENDITURES - YTD	(1,481.95)	
	BALANCE - CURRENT DATE		(66,537.95)	
	TOTAL FUND EQUITY			(66,537.95)
	TOTAL LIABILITIES AND EQUITY			(66,537.95)

CITY OF SUN VALLEY
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 10 MONTHS ENDING JULY 31, 2016

CAPITAL IMPROVEMENT FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>OPERATING TRANSFERS IN</u>					
50-399-200 TRANSFER FROM GF UNASSIGNED	.00	.00	105,000.00	105,000.00	.0
TOTAL OPERATING TRANSFERS IN	.00	.00	105,000.00	105,000.00	.0
TOTAL FUND REVENUE	.00	.00	105,000.00	105,000.00	.0

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

CAPITAL IMPROVEMENT FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL PROJECTS</u>					
50-470-838 FIRE DEPARTMENT SLEEPING QTRS	975.50	1,481.95	.00	(1,481.95)	.0
TOTAL CAPITAL PROJECTS	975.50	1,481.95	.00	(1,481.95)	.0
<u>DEPARTMENT 480</u>					
50-480-442 STREET DEPT VENTILATION SYS	.00	.00	15,000.00	15,000.00	.0
50-480-450 CITY HALL GENERATOR	.00	.00	90,000.00	90,000.00	.0
TOTAL DEPARTMENT 480	.00	.00	105,000.00	105,000.00	.0
TOTAL FUND EXPENDITURES	975.50	1,481.95	105,000.00	103,518.05	1.4
NET REVENUE OVER EXPENDITURES	(975.50)	(1,481.95)	.00	1,481.95	.0

CITY OF SUN VALLEY
BALANCE SHEET
JULY 31, 2016

SPF

<u>ASSETS</u>			
52-101-000	CASH - COMBINED FUND	195,721.51	
	TOTAL ASSETS		195,721.51
 <u>LIABILITIES AND EQUITY</u>			
 <u>FUND EQUITY</u>			
UNAPPROPRIATED FUND BALANCE:			
52-271-000	FUND BALANCE - BEGINNING OF YR	107,181.01	
	REVENUE OVER EXPENDITURES - YTD	157,844.83	
	BALANCE - CURRENT DATE	265,025.84	
	TOTAL FUND EQUITY		265,025.84
	TOTAL LIABILITIES AND EQUITY		265,025.84

CITY OF SUN VALLEY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

SPF

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>GENERAL PROPERTY TAXES</u>					
52-311-200 PROPERTY TAX-GENERAL	78,562.13	177,704.21	272,650.00	94,945.79	65.2
TOTAL GENERAL PROPERTY TAXES	78,562.13	177,704.21	272,650.00	94,945.79	65.2
<u>STATE OF IDAHO SHARED REVENUES</u>					
52-335-200 STATE HIGHWAY USER	.00	30,112.10	59,694.00	29,581.90	50.4
TOTAL STATE OF IDAHO SHARED REVENUES	.00	30,112.10	59,694.00	29,581.90	50.4
TOTAL FUND REVENUE	78,562.13	207,816.31	332,344.00	124,527.69	62.5

CITY OF SUN VALLEY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING JULY 31, 2016

SPF

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>SPF</u>					
52-431-780 ROADS & PATHS MAINT. PROGRAM	49,971.48	49,971.48	290,000.00	240,028.52	17.2
52-431-960 TRANSFER TO S&P FUND	.00	.00	42,344.00	42,344.00	.0
TOTAL SPF	<u>49,971.48</u>	<u>49,971.48</u>	<u>332,344.00</u>	<u>282,372.52</u>	<u>15.0</u>
TOTAL FUND EXPENDITURES	<u>49,971.48</u>	<u>49,971.48</u>	<u>332,344.00</u>	<u>282,372.52</u>	<u>15.0</u>
NET REVENUE OVER EXPENDITURES	<u>28,590.65</u>	<u>157,844.83</u>	<u>.00</u>	<u>(157,844.83)</u>	<u>.0</u>

Monthly LOT Comparison for June 2016 Receipts

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016*	Increase/ Decrease of FY16 as Compared to FY15
Retail	56,498	62,166	57,884	68,192	68,606	69,782	2%
Lodging	31,711	34,758	36,811	34,598	47,142	55,309	17%
Liquor	4,170	4,443	4,273	4,552	6,819	5,492	-19%
Totals	92,378	101,367	98,969	107,341	122,567	130,584	7%

Detail Summary of Comparative YTD Receipts for the months of October - June.

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016*	Increase/ Decrease of FY16 as Compared to FY15
October	75,542	49,847	56,260	58,531	54,565	66,009	21%
November	34,116	46,298	41,355	42,734	37,762	45,526	21%
December	106,190	114,930	126,671	130,540	112,858	176,411	56%
January	89,043	82,380	95,770	87,247	89,162	110,600	24%
February	115,014	101,797	113,281	112,073	86,860	153,391	77%
March	110,729	90,809	113,200	99,304	79,737	119,605	50%
April	37,056	42,642	38,852	34,842	44,844	50,231	12%
May	47,475	52,181	44,172	37,150	47,019	70,469	50%
June	92,378	101,367	98,969	107,341	122,567	130,584	7%
July	229,127	215,845	228,946	234,419	275,874	0	-100%
August	186,112	192,799	168,716	221,612	199,076	0	-100%
September	124,435	117,748	122,331	91,906	65,533	0	-100%
Fiscal Year Total	1,247,216	1,208,644	1,248,522	1,257,699	1,215,857	922,826	
Year-To-Date Receipts Comparison (October - June)	707,543	682,252	728,529	709,763	675,374	922,826	37%

Local Option Tax receipts for the month of June 2016 totaled \$130,584 representing a 7% increase in receipts from June 2015.

*October - January receipts corrected 4/25/16

CITY OF SUN VALLEY

LOT Retail Receipts Figures

Monthly LOT Comparison f	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016*	Increase/ Decrease of FY16 as Compared to FY15
October	46,790	26,180	30,436	31,543	35,839	35,732	0%
November	22,367	29,001	25,537	26,945	23,400	27,403	17%
December	62,823	65,920	71,156	68,666	66,925	97,853	46%
January	47,097	41,884	47,746	43,385	51,580	55,699	8%
February	57,260	50,924	51,566	58,014	50,521	75,864	50%
March	51,052	41,019	53,430	49,015	42,977	49,658	16%
April	21,899	26,465	27,301	23,605	32,233	30,765	-5%
May	39,678	37,816	31,877	28,025	36,001	47,519	32%
June	56,498	62,166	57,884	68,192	68,606	69,782	2%
July	121,472	112,979	121,980	127,521	145,354		-100%
August	97,834	122,555	93,909	120,942	104,284		-100%
September	61,763	57,049	74,778	55,549	35,403		-100%
Fiscal Year Total	686,532	673,960	687,600	701,403	693,123	490,276	
Year-To-Date Receipts Comparison (October - June)	348,966	319,211	339,049	329,199	339,476	420,494	24%

CITY OF SUN VALLEY

LOT Lodging Receipts Figures

Monthly LOT Comparison f	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016*	Increase/ Decrease of FY16 as Compared to FY15
October	24,627	19,946	21,712	22,585	15,550	24,908	60%
November	9,462	14,358	13,014	13,567	12,187	15,058	24%
December	36,247	40,756	46,347	53,815	39,496	69,048	75%
January	35,394	34,636	41,194	37,577	32,835	47,265	44%
February	50,052	43,826	54,235	48,420	31,724	68,774	117%
March	55,640	43,588	52,824	43,513	32,698	62,219	90%
April	12,695	13,948	9,715	9,601	11,217	16,836	50%
May	6,205	12,456	9,152	6,943	9,313	19,728	112%
June	31,711	34,758	36,811	34,598	47,142	55,309	17%
July	95,637	92,511	96,446	95,933	116,446		-100%
August	76,779	93,537	70,471	85,723	80,047		-100%
September	44,818	32,872	45,171	31,453	24,761		-100%
Fiscal Year Total	479,267	477,191	497,094	483,727	453,418	379,145	
Year-To-Date Receipts Comparison (October - June)	230,323	223,513	248,194	236,020	185,021	323,835	75%

CITY OF SUN VALLEY

LOT Liquor Receipts Figures

Monthly LOT Comparison f	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016*	Increase/ Decrease of FY16 as Compared to FY15
October	4,126	3,721	4,112	4,403	3,176	5,369	69%
November	2,287	2,939	2,804	2,222	2,174	3,065	41%
December	7,120	8,254	9,167	8,059	6,437	9,509	48%
January	6,552	5,860	6,830	6,285	4,747	7,637	61%
February	7,702	7,046	7,479	5,640	4,614	8,753	90%
March	4,036	6,202	6,946	6,777	4,063	7,728	90%
April	2,462	2,229	1,837	1,636	1,394	2,630	89%
May	1,592	1,909	3,142	2,181	1,705	3,223	89%
June	4,170	4,443	4,273	4,552	6,819	5,492	-19%
July	12,019	10,355	10,520	10,965	14,074		-100%
August	11,499	13,164	4,336	14,946	14,745		-100%
September	17,854	5,595	2,381	4,904	5,369		-100%
Fiscal Year Total	81,418	71,717	63,828	72,570	69,316	53,406	
Year-To-Date Receipts Comparison (October - June)	35,877	38,160	42,318	37,203	28,310	47,914	69%

*October - January receipts corrected 4/25/16

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
1																							
2																							
3	Local Option Tax Receipts (combined) FY 06 to FY 16																						
4																							
5																							
6		FY 06	% of total year	FY 07	% of total year	FY 08	% of total year	FY 09	% of total year	FY 10	% of total year	FY 11	% of total year	FY 12	% of total year	FY 13	% of total year	FY 14	% of total year	FY 15	% of total year	FY 16*	% of total year
7	October	71,261	4.87%	97,457	6.75%	65,124	4.62%	70,188	5.87%	69,432	5.57%	75,542	6.18%	49,847	3.99%	56,260	4.47%	58,531	4.65%	54,565	4.34%	66,009	5.25%
8	November	34,870	2.38%	40,890	2.83%	44,878	3.19%	40,074	3.35%	50,477	4.05%	34,116	2.79%	46,298	3.71%	41,355	3.29%	42,734	3.40%	37,762	3.00%	45,526	3.62%
9	December	120,900	8.26%	128,179	8.88%	129,017	9.16%	101,371	8.48%	97,420	7.81%	106,190	8.68%	114,930	9.21%	126,671	10.07%	130,540	10.38%	112,858	8.97%	176,411	14.03%
10	January	108,662	7.43%	103,326	7.16%	124,990	8.88%	103,326	8.64%	96,559	7.74%	89,043	7.28%	82,380	6.60%	95,770	7.61%	87,247	6.94%	89,162	7.09%	110,600	8.79%
11	February	134,863	9.22%	123,362	8.55%	139,063	9.88%	123,362	10.32%	101,944	8.17%	115,014	9.41%	101,797	8.15%	113,281	9.01%	112,073	8.91%	86,860	6.91%	153,391	12.20%
12	March	119,921	8.20%	131,973	9.14%	136,338	9.68%	131,973	11.04%	91,122	7.31%	110,729	9.05%	90,809	7.27%	113,200	9.00%	99,304	7.90%	79,737	6.34%	119,605	9.51%
13	April	46,438	3.17%	49,232	3.41%	41,147	2.92%	49,232	4.12%	46,747	3.75%	37,056	3.03%	42,642	3.42%	38,852	3.09%	34,842	2.77%	44,844	3.57%	50,231	3.99%
14	May	53,666	3.67%	57,533	3.99%	60,097	4.27%	57,533	4.81%	40,743	3.27%	47,475	3.88%	52,181	4.18%	44,172	3.51%	37,150	2.95%	47,019	3.74%	70,469	5.60%
15	June	136,014	9.30%	152,008	10.53%	129,805	9.22%	152,008	12.71%	94,222	7.55%	92,378	7.55%	101,367	8.12%	98,969	7.87%	107,341	8.53%	122,567	9.75%	130,584	10.38%
16	July	250,806	17.14%	228,032	15.80%	240,035	17.05%	228,032	19.07%	196,552	15.76%	229,127	18.74%	215,845	17.29%	228,946	18.20%	234,419	18.64%	275,874	21.93%	0	0.00%
17	August	214,275	14.65%	204,206	14.15%	218,739	15.53%	204,206	17.08%	204,474	16.39%	192,799	15.77%	229,256	18.36%	168,716	13.41%	221,612	17.62%	199,076	15.83%	0	0.00%
18	September	101,702	6.95%	146,815	10.17%	114,029	8.10%	146,815	12.28%	106,162	8.51%	117,748	9.63%	95,516	7.65%	122,331	9.73%	91,906	7.31%	65,533	5.21%	0	0.00%
19	TOTAL:	1,393,378	95.24%	1,463,013	101.37%	1,443,263	102.50%	1,408,120	117.75%	1,195,854	95.88%	1,247,217	101.99%	1,222,868	97.95%	1,248,522	99.27%	1,257,699	100.00%	1,215,857	96.67%	922,826	73.37%
20																							
21																							
22																							
23																							
24		10 yr Average % collected by month		FY 2015-06 Budgeted LOT Revenue by month		Actual LOT Revenue Collected by month to date*		(under)/over historical % collected by month*															
25																							
26	October	5.66%		69,013		66,009		(3,004)															
27	November	3.56%		43,442		45,526		2,084															
28	December	10.39%		126,801		176,411		49,610															
29	January	8.42%		102,675		110,600		7,925															
30	February	10.07%		122,866		153,391		30,525															
31	March	9.44%		115,216		119,605		4,389															
32	April	3.72%		45,429		50,231		4,802															
33	May	4.39%		53,520		70,469		16,949															
34	June	10.15%		123,852		130,584		6,732															
35	July	17.96%		219,135		-		-															
36	August	15.88%		193,726		-		-															
37	September	8.55%		104,352		-		-															
38	TOTAL:	108.20%		1,220,000		922,827		120,012															
39																							
40	*October 2015 - January 2016 receipts corrected 4/25/16																						

Vendor Name	Invoice #	Invoice Date	Description	Account #	Budgeted	Dept.	Amount
AC HOUSTON LUMBER CO	014-587856	08/05/2016	Work gloves	10-431-780	Yes	STR	30.09
AC HOUSTON LUMBER CO	583177 5849	07/21/2016	Paint thinner and brush, batteries for garage openers	10-423-585	Yes	FIRE	40.10
AK PEST MANAGEMENT	2944	08/07/2016	3rd application of weed abatement per contract.	10-431-621	Yes	STR	3,875.00
ASPHALT SYSTEMS INC.	29537	08/11/2016	Chip seal oil/ N. Village way	52-431-780	Yes	SPF	3,568.00
BME UPLIFTING, LLC	215081	08/15/2016	1 Relm antenna for duty staff radio	10-423-615	Yes	FIRE	39.50
BOISE MOBILE EQUIPMENT	062916	06/29/2016	2 New portable pumps from grant from IDL	10-423-591	Yes	FIRE	9,248.56
BOISE MOBILE EQUIPMENT	215066	07/25/2016	Radio belt clips for hand held radios	10-423-615	Yes	FIRE	240.00
CENTRAL DRUG SYSTEM, INC.	258865	08/06/2016	Random Processing Fee/ Drug Testing	10-415-420	Yes	ADM	3.50
CH2M HILL	4036359	07/28/2016	Engineering review for development applications	10-418-422	Yes	COM	2,284.06
CHATEAU DRUG	081816	08/18/2016	Spray paint	10-431-320	Yes	STR	3.99
COPY & PRINT	73370	07/28/2016	Business Cards for Bill Dyer (250ct)	10-418-310	Yes	COM	54.99
COPY & PRINT	73619	08/05/2016	Plastic sleeves, and copy paper.	10-415-310	Yes	ADM	46.28
COPY & PRINT	73652	08/04/2016	4 Plastic picture frames for Police Mission statement.	10-421-320	Yes	POLI	19.56
COPY & PRINT	73806	07/29/2016	Box of checks	10-415-310	Yes	ADM	174.61
D & B SUPPLY COMPANY	062616	06/26/2016	Refund - roll of bungee cord	10-431-320	Yes	STR	165.20
DICK YORK'S AUTO SERVICE	69294 70044	07/29/2016	Checked brake control module; mount & balance tires	10-423-595	Yes	FIRE	154.44
ELKHORN SPRINGS RESIDENTI	214134	08/01/2016	Quarterly Dues on A03	42-470-705	Yes	WFH	834.51
ELKHORN SPRINGS RESIDENTI	214135	08/01/2016	Quarterly Dues A04	42-470-705	Yes	WFH	834.51
EVERGREEN VENTURES	082316	08/23/2016	Partial Refund of Landscaping Bond for Lane Meadows	10-418-390	Yes	COM	1,814.40
FEDEX	5-495-28257	07/28/2016	Cost of shipping for Police department (Meridian Lab)	10-421-370	Yes	POLJ	68.96
FRANCO, RAY	073016	07/31/2016	Fuel reimbursement for wildland fire in Nevada	10-423-591	Yes	FIRE	86.29
FRANCO, RAY	101	07/29/2016	Reimburesment for Hotel on wildland fire	10-423-470	Yes	FIRE	90.47
GARDNER LANDSCAPING	3040	07/01/2016	Repaired lawn that was accidently sprayed with herbicide by street dept staff.	10-431-780	Yes	STR	289.44
GEM STATE PAPER	1064330-00	08/19/2016	Utensils, soap, toilet seat covers, cups, papertowels, hand sanitizer	10-415-315	Yes	ADM	320.62
HARRIS & CO, PLLC	24315	03/31/2016	Financial Audit for Year End September 30, 2015	10-415-420	Yes	ADM	14,000.00
HUGHES FIRE EQUIPMENT	505450 5055	08/18/2016	Service call on ladder truck replace handle on rear lights	10-423-600	Yes	FIRE	275.41
IDAHO MOUNTAIN EXPRESS	10004349	07/27/2016	Display Ad, &Z 7/28	10-418-440	Yes	COM	84.53
IDAHO MOUNTAIN EXPRESS	12546021	07/13/2016	Display Ad, P&Z 7/14/16	10-418-440	Yes	COM	151.80
IDAHO MOUNTAIN EXPRESS	12546022	07/13/2016	Legal Ad for Ordinance 487	10-415-440	Yes	ADM	55.20
IDAHO MOUNTAIN EXPRESS	12546840	07/27/2016	Legal Ad for Public hearing/ Proposed budget	10-415-440	Yes	ADM	211.20
IDAHO MOUNTAIN EXPRESS	12546842	07/27/2016	Legal Ad for Ordinance 484	10-415-440	Yes	ADM	264.04
IDAHO TRAFFIC SAFETY, INC	18376	08/01/2016	Road striping	10-431-592	Yes	STR	10,792.50
IMPERIAL ASPHALT	3134	08/22/2016	Path slurry seal per bid.	52-431-780	Yes	SPF	28,877.88
IMPERIAL ASPHALT	3138	08/23/2016	Additional path slurry seal between the 2 Morning Star entrances.	52-431-780	Yes	SPF	1,794.00
INREACH - DELMORE	DL09141610	08/07/2016	Monthly dues 06/07 to 08/07 to 9/6/2016	10-423-480	Yes	FIRE	103.60
INTEGRATED TECHNOLOGIES	55600	08/24/2016	Contract base rate and copies - City Hall	10-415-510	Yes	ADM	241.24
JEROME PETERBILT	159471	08/17/2016	Case of high pressure grease.	10-431-350	Yes	STR	10.75
JOE'S BACKHOE SERVICE	21543	08/11/2016	Equipment operator for chip seal project.	52-431-780	Yes	SPF	770.00
JPS COMMUNICATIONS	1216	08/10/2016	Replacement cable for King radios, cloning	10-423-615	Yes	FIRE	248.00
KETCHUM AUTOMOTIVE	69763	07/27/2016	Replace brake light switch in squad 1	10-423-595	Yes	FIRE	106.65
KETCHUM COMPUTERS	12744	05/02/2016	Computer Support - 4/15/16-4/30/16	10-415-427	Yes	ADM	435.00
KETCHUM COMPUTERS	12787	05/16/2016	Computer Support - 5/1/16-5/15/16	10-415-427	Yes	ADM	616.25
KETCHUM COMPUTERS	12836	06/01/2016	Computer Support - 5/15/16-5/31/16	10-415-427	Yes	ADM	652.50
KETCHUM COMPUTERS	13115	08/16/2016	Computer Support - 8/1/16-8/15/16	10-415-427	Yes	ADM	435.00
LAKE SHORE INDUSTRIES INC.	B31055	07/21/2016	Street name signs Keystone/East Lake	10-431-780	Yes	STR	526.00
LONNIE JESSER	070816	07/08/2016	Purchase and delivery for (3) 275 gal. totes for used oil and antifreeze storage.	10-431-350	Yes	STR	400.00
MIICOR INC.	14738	08/17/2016	Barracuda Email Security Service - 1 year	10-415-740	Yes	ADM	427.50

Vendor Name	Invoice #	Invoice Date	Description	Account #	Budgeted	Dept.	Amount
NORCO	19076923	07/31/2016	Cylinder rent for the month of 07/ to 08/2016	10-423-325	Yes	FIRE	61.38
OFFICEBRIGHT, INC	4186	08/23/2016	Office cleaning August, 2016	10-415-500	Yes	ADM	1,170.00
PIPECO,INC.	S2472979.00	07/29/2016	Spring sprinkler repair parts for City Hall, Elkhorn Fire, and Festival Meadows	10-431-790	Yes	STR	17.85
PIPECO,INC.	S2473246.00	07/29/2016	spring sprinkler repair parts for City Hall, Elkhorn Fire, and Festival Meadows	10-431-790	Yes	STR	13.75
RIVER RUN AUTO	6538-101652	07/06/2016	Absorbant for oil spill in shop.	10-431-320	Yes	STR	65.94
SAFETY & SUPPLY CO.	154628	06/28/2016	Misc. street signs for replacement and inventory.	10-431-780	Yes	STR	794.81
SILVER CREEK FORD	128207	06/30/2016	Program brake controller in engine 64	10-423-595	Yes	FIRE	66.00
SILVER CREEK FORD	18551	08/04/2016	Hub cap for Police vehicle unit 4	10-421-595	Yes	POLI	69.30
ST FRANCIS PET CLINIC	05020	07/14/2016	Stray cat impound/ 1 night of boarding at St. Francis.	10-421-480	Yes	POLI	18.00
SUN VALLEY CLEANERS, INC	072816	07/28/2016	Dry cleaning for Police uniforms	10-421-630	Yes	POLI	308.00
SUN VALLEY CLEANERS, INC	072916	07/28/2016	Clean and press 1 shirt Charlie Butterfield	10-423-630	Yes	FIRE	10.00
SUN VALLEY TRANSFER & STO	081116	08/11/2016	Plans Storage Boxes	10-418-310	Yes	COM	150.00
SUNSEAL ASPHALT MAINTENA	8578	08/08/2016	Striping for path seal project and chip seal.	52-431-780	Yes	SPF	748.00
TREASURE VALLEY COFFEE	2160:046220	08/16/2016	Coffee for Admin	10-415-310	Yes	ADM	22.84
TREASURE VALLEY COFFEE	2160:046220	08/16/2016	Coffee for Community Development Department	10-418-310	Yes	COM	22.84
TREASURE VALLEY COFFEE	2160:046220	08/16/2016	Coffee for Police Department	10-418-310	Yes	COM	22.84
TREASURE VALLEY COFFEE	2160:046220	08/16/2016	Coffee for Streets Department	10-431-310	Yes	STR	22.84
TREASURE VALLEY COFFEE	2160:046220	08/16/2016	Coffee for Fire Department	10-431-310	Yes	STR	22.84
WALKER SAND AND GRAVEL	435316	07/13/2016	3/8 chips for 2016 chip seal project.	52-431-780	Yes	SPF	7,446.68
WALKER SAND AND GRAVEL	435454	07/14/2016	Fork lift time for unloading V-plow for summer storage.	10-431-780	Yes	STR	27.50
WEIDNER FIRE	112540	08/12/2016	4 25 foot makeup lines two for each engine, eng 66 and 65 (fire hose)	10-423-600	Yes	FIRE	236.80
WHITE PETERSON	119783	07/31/2016	Legal Services - General Matters - Non-privileged	10-415-425	Yes	ADM	2,500.00
WHITE PETERSON	119784	07/31/2016	Legal Services - General Matters - Privileged	10-415-425	Yes	ADM	183.75
WHITE PETERSON	119785	07/31/2016	Legal Services - P&Z- Privileged	10-415-425	Yes	ADM	2,651.25
WHITE PETERSON	119786	07/31/2016	Legal Services - City Council - Privileged	10-415-425	Yes	ADM	140.00
WINDY CITY ARTS, INC.	2016-679	08/08/2016	Recycling signage	10-431-614	Yes	STR	370.50
WOOD RIVER LOCK SHOP	9286	06/30/2016	10 Keys for New Patrol vehicle (unit 2)	29-490-761	Yes	EXP	45.00
Grand Totals:							102,644.44

Finance Committee Chair, Michelle Griffith: _____

Date : _____

**CITY OF SUN VALLEY
CITY COUNCIL
STAFF REPORT**

To: The Honorable Mayor Peter Hendricks and Sun Valley City Council
From: Jae Hill, AICP, CFM, Community Development Director
Date: 4 August 2016
Re: Common area conveyances

Over the last year, we've seen dozens of small, "pop-out" additions to condominiums all over town. The Homeowners Associations are approving the expansions of individual units into the common area, but without formally conveying the property from the association to the owner of the appurtenant condominium.

The previous Community Development Director required plat amendments for these expanded units, but in the cases where the property is not actually conveyed by deed, we can't require that. We stopped the practice (of requiring the plat amendments) at the notice and advice of our former City Attorney, Adam King.

After talking with Jim Williams, the county's appraiser at the Assessor's Office, we learned that common area (including limited-access common area) is not assessed, therefore all new construction occurring in the common area (at the benefit of an individual homeowner) is not being assessed. Every unit that has had a pop-out addition without a re-plat is therefore increasing the appraised market value of their home but not the assessed value with the County. For a sample \$25,000 pop-out addition, the City is foregoing approximately \$191 per year in taxes. Multiplied times hundreds of these minor additions, we're talking about tens of thousands in foregone property tax revenue every per year – not to mention the inaccurate records at the Blaine County Assessor's Office and the questionable legal questions relating to ownership including responsibility for safety, maintenance, insurance, and damages.

The City's best option to remedy this situation is to amend our code to require the platting and conveyance of any piece of property for the permanent and exclusive use of an adjoining property. This will add further cost and time delays to each addition, however, for the participation of a surveyor and for City approval. The County Assessor's Office is highly in support of this concept.

Staff recommended amending our code to require conveyance and platting in these cases which circumvent our legally-established subdivision processes and our taxing authority, and has provided an ordinance to that effect.

RECOMMENDATION: The Planning Commission deliberated on this proposed ordinance at their meeting of July 14th, and unanimously recommended approval to the City Council.

RECOMMENDED MOTION: "I move to recommend approval to the City Council of Ordinance No. 490: Amending Title 9, Chapter 4, Article A, Section 3 Of The Sun Valley Municipal Code Requiring The Replatting Of Conveyed Properties."

ALTERNATIVE ACTIONS: Amend the Ordinance, and recommend approval as amended; or direct Staff to return with additional information/changes.

ATTACHMENTS:

1. Ordinance No. 490 Amending Title 9, Chapter 4, Article A, Section 3 Of The Sun Valley Municipal Code Requiring The Replatting Of Conveyed Properties.

ORDINANCE 490
AMENDING TITLE 9, CHAPTER 4, ARTICLE A, SECTION 3 OF THE SUN VALLEY MUNICIPAL CODE
REQUIRING THE REPLATTING OF CONVEYED PROPERTIES

WHEREAS, the City of Sun Valley is a municipal corporation, duly organized and existing under the laws of the State of Idaho Code § 50-501 et seq.; and

WHEREAS, the State of Idaho requires platting a result of subdivision and conveyance in Idaho Statute § 50-1302 et seq.; and

WHEREAS, the common area of non-profit homeowner associations is rapidly being transferred into ownership of individuals for exclusive use without replatting or formal conveyance; and

WHEREAS, such informal conveyances are not maintaining an accurate or current tax roll with the County Assessor’s office; and

WHEREAS, such conveyances evade taxation and create legal uncertainty regarding liability for injuries and damages occurring on such conveyed property;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Sun Valley, Idaho, as follows:

Title 9, Chapter 4, Article A, Section 3 [Scope] of the Sun Valley Municipal Code shall be amended by adding the following clause 9-4A-3.D

“Any conveyance of a portion of subdivided land, whether informal or formal and regardless of financial compensation, to an adjoining property owner for their limited or exclusive use.”

APPROVED BY THE SUN VALLEY CITY COUNCIL THIS ____ DAY OF _____, 2016.

APPROVED:

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ATTEST:

Peter Hendricks, Mayor
City of Sun Valley

Alissa Weber, City Clerk
City of Sun Valley

CITY OF SUN VALLEY

RESOLUTION 2016-13

A RESOLUTION OF THE CITY OF SUN VALLEY AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR SERVICES WITH SUN VALLEY ECONOMIC DEVELOPMENT

WHEREAS, The City of Sun Valley (“the City”) is a municipal corporation duly organized and existing under the laws of the State of Idaho Code §50-101 et seq.; and

WHEREAS, Pursuant to Idaho Code § 50-301 and § 50-302, the City is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry; and

WHEREAS, Sun Valley Economic Development (“SVED”) is a not-for-profit organization; and

WHEREAS, SVED agrees to provide such services as general information on economic development, business development, and related economic issues and to advise and consult with the City to promote business relocations, retention and industry for the City in the amount of \$8,500 for the City’s Fiscal Year 2017.

WHEREAS, the City and SVED have agreed to the terms and conditions of the Contract for Services, a copy of which is attached hereto in “Exhibit 1;”

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUN VALLEY, IDAHO,

SECTION 1: That the City of Sun Valley has approved funding for services with SVED in the amount of eight thousand five hundred dollars (\$8,500.00).

SECTION 2: That the Mayor is hereby authorized to execute an FY 17 Contract with SVED.

SECTION 3: That this Resolution shall be known as Resolution No. 2016-13 of the City of Sun Valley, Idaho and shall be in full force and effect from and after its passage and approval.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS ____ DAY OF September, 2016.

Peter Hendricks, Mayor

Attest:

Nancy Flannigan, Assistant City Clerk

AGREEMENT BETWEEN THE CITY OF SUN VALLEY AND SUN VALLEY ECONOMIC DEVELOPMENT

THIS Agreement is made and entered into this the _____ day of September, ~~2015~~2016, by and between the CITY OF SUN VALLEY, an Idaho municipal corporation (hereinafter referred to as “the City”) and SUN VALLEY ECONOMIC DEVELOPMENT, an Idaho nonprofit corporation (herein after referred to as “SVED”).

RECITALS

WHEREAS, the City is a municipal corporation duly organized and existing under the laws of the State of Idaho; and

WHEREAS, SVED is an Idaho nonprofit corporation duly organized and existing under the laws of the State of Idaho; and

WHEREAS, pursuant to Idaho Code §§50-301 and 50-302, the City is empowered to enter into contracts as may be deemed necessary to promote the welfare of the City and its residents; and

WHEREAS, it is deemed in the best interests of the public health, welfare and prosperity of the City to encourage economic development and to participate in other activities that promote and enhance the commerce, industry and tourism of the City, which is determined to be an ordinary and necessary expense for the economic well-being of the City and its residents and visitors; and

WHEREAS, it is deemed in the best interests of the City to acquire, by contract, certain services to be performed by SVED, to provide general information on economic development, business development, and related economic issues and to advise and consult with the City to promote business relocations, retention and industry of the City; and

WHEREAS, it is the intention of the City to contract with SVED to provide such services as herein described.

NOW, THEREFORE, on the basis of the foregoing recitals, and upon motion duly passed by the Sun Valley City Council, the parties agree as follows.

AGREEMENT

1. Incorporation of Recitals. The Recitals set forth herein above are hereby incorporated into and made an integral part of this Agreement.
2. The Services & Reports. SVED shall provide administrative and management services reasonably necessary to support SVED in its efforts to support the City. Projects and Programs and performance metrics are more fully described in Attachment A: Action Plan and Attachment B: Action Plan Metrics to this Agreement, respectively. SVED shall provide to the City on March 15, ~~2016~~2017 and on September 15, ~~2016~~2017, or more frequently if desired by the City, a written report describing the accomplishments of the Action Plan’s Project and Programs and metrics detailed in Attachment B. The written reports will be presented at the respective April and October regular City Council meetings.

3. Consideration. The City agrees to pay SVED the sum of \$8,500 (EIGHT THOUSAND FIVE HUNDRED DOLLARS). The full payment shall be due on execution of this Agreement. A properly documented invoice shall be delivered to the City, with payment due in not more than thirty (30) days from the date of receipt.
4. Term. The Term of this Agreement is for one (1) year beginning on October 1, ~~2015-2016~~ and ending on September 30, ~~2016~~2017.
5. Termination. The City may terminate this Agreement for any reason whatsoever by providing thirty (30) days' written notice to SVED. Termination under this provision does not relieve SVED of any unfulfilled reporting duties to the City.
6. Independent Contractor. The City and SVED hereby agree that SVED shall perform the obligations under this Agreement exclusively as an independent contractor and not as employee or agent of the City of Sun Valley. The Parties do not intend to create through this Agreement any partnership, corporation, employer/employee relationship, joint venture or other business entity or relationship other than that of independent contractor. SVED, its agents and employees shall not receive nor be entitled to any employment-related benefits from the City including without limitation, workers compensation insurance, unemployment insurance, health insurance, retirement benefits or any benefit that the City offers to its employees. SVED shall be solely responsible for the payment of all payroll and withholding taxes for amounts paid to SVED under this Agreement and for SVED's payments for work performed in performance of this Agreement by SVED, its agents and employees; and SVED hereby releases, holds harmless and agrees to indemnify the City from and against any and all claims or penalties, including without limitation the 100% penalty, which in any manner relate to or arise from any failure to pay such payroll or withholding taxes.
7. Compliance with Laws/Public Records. SVED, its agents and employees shall comply with all federal, state and local laws, rules and ordinances. This Agreement does not relieve SVED of any obligation or responsibility imposed upon SVED by law. Without limitation, SVED hereby acknowledges that all writings and documents related to this Agreement are provided, including without limitation email, containing information relating to the conduct or administration of the public's business prepared by SVED for the City regardless of physical form or characteristics may be public records pursuant to Idaho Code Section 9-337 *et seq.* SVED further acknowledges that, subject to certain limitations, the public may examine and take a copy of all such public writings and records. Accordingly, SVED shall maintain such writings and records in such a manner that they may be readily identified, retrieved and made available for such inspection and copying. It is understood that SVED has access to writings and documents that are private third-party communications and not part of this Agreement. These writings and documents, regardless of physical form are not public record documents and not subject to the requirements of Idaho § 9-337 *et seq.*
8. Hold Harmless Agreement. Any contractual obligation entered into or assumed by the SVED, or any liability incurred by reason of personal injury and/or property damage in connection with or arising out of the SVED's obligations pursuant to this Agreement shall be the sole responsibility of SVED, and SVED covenants and agrees to indemnify and hold the City harmless from any and all claims or causes of action arising out of SVED's activities and obligations as set forth hereinabove, including, but not limited to, personal injury, property damage, and employee complaints.
9. Notice. All notices, requests, demands or other communication required or provided for under this Agreement, other than instructions given by the City pursuant to Paragraph 2 herein above shall be in writing. Notices to the City and SVED shall be addressed as follows:

The City:
City of Sun Valley
ATTN: City Administrator
Susan Robertson
PO BOX 416
Sun Valley, ID 83353

SVED:
Sun Valley Economic Development
ATTN: Executive Director
Harry Griffith
PO BOX ~~4380~~3893
Ketchum, ID 83340

10. Non-Assignment. SVED hereby acknowledges that the City has agreed to enter this Agreement based in part on SVED's unique skills and reputation for professional work. Accordingly, SVED may not assign or transfer in any manner this Agreement or any of SVED's right, title or interest in or to this Agreement without the prior written consent of the City, which may be withheld for any reason.
11. Amendments. This Agreement may only be changed, modified, or amended in writing executed by the Parties.
12. Headings. The headings in the Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.
13. No Presumption. No presumption shall exist in favor of or against either Party to this Agreement as the result of the drafting and preparation of the document.
14. Governing Law. This Agreement shall be governed by the laws and decisions of the State of Idaho.
15. Entire Agreement. This Agreement contains the entire Agreement between the parties respecting the matters herein set forth and supersedes all prior Agreements between the parties hereto respecting such matter.
16. Execution and Fax Copies and Signatures. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
17. Authority. The Parties executing this Agreement warrant, state, acknowledge, and affirm that they have the authority to sign the same and to bind themselves to the terms contained herein.
18. Amendment. This Agreement may only be amended by a further written agreement, duly authorized, and signed by the Parties.

IN WITNESS WHEREOF, the Parties have signed this Agreement the day and year first above written.

CITY OF SUN VALLEY,
an Idaho municipal corporation

SUN VALLEY ECONOMIC DEVELOPMENT,
an Idaho nonprofit 501c6 corporation

By: _____
Peter Hendricks, Mayor

By: _____
Harry Griffith, Executive Director

ATTEST:

Nancy Flannigan, Assistant City Clerk

**AGREEMENT BETWEEN THE CITY OF SUN VALLEY
AND SUN VALLEY ECONOMIC DEVELOPMENT**

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City of Sun Valley
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Susan Robertson
PO BOX 416
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SVED:
Sun Valley Economic Development
ATTN: Executive Director
Harry Griffith
PO BOX 3893
Ketchum, ID 83340

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CITY OF SUN VALLEY,
an Idaho municipal corporation

SUN VALLEY ECONOMIC DEVELOPMENT,
an Idaho nonprofit 501c6 corporation

By: _____
Peter Hendricks, Mayor

By: _____
Harry Griffith, Executive Director

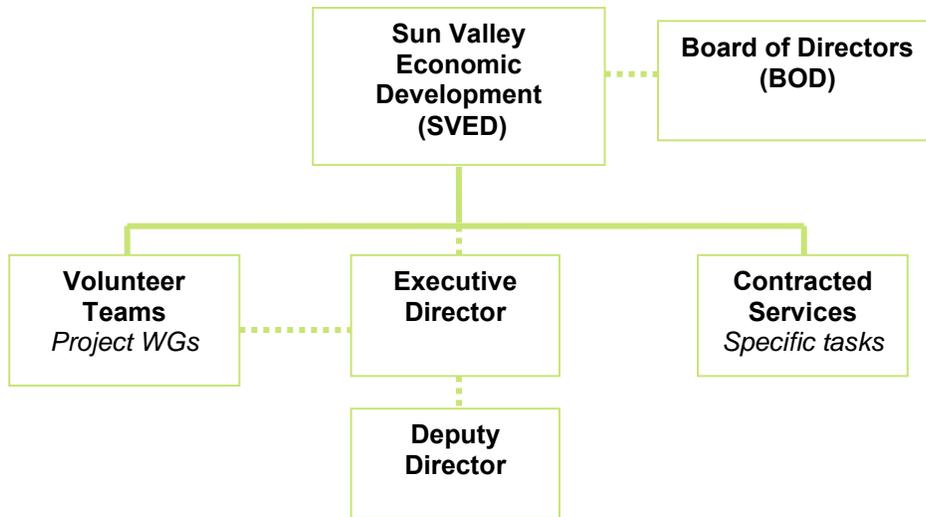
ATTEST:

Nancy Flannigan, Assistant Clerk/Assistant Treasurer

2016 ACTION PLAN
For
Sun Valley Economic Development
Serving the communities of Blaine County, Idaho

The vision of Sun Valley Economic Development (SVED) is to “achieve sustainable economic growth throughout the Sun Valley Region” while its mission is to “preserve and advance the Sun Valley Region’s economic vitality, diversity and values of its citizens”. Priority areas of strategic focus will be business retention/ expansion/attraction, economic analysis, community education, advocacy and incubator projects.

SVED was formed as a 501(c) 6 in January 2010 as the countywide entity with the legal authority to implement the GoBlaine! Strategy of 2009 prepared by TIPs Strategies. Initially operating as SustainBlaine, Inc, the organization rebranded to SVED in 2014 to better reflect the purpose of the organization and the relevant geographic area served.



The 19 member Board of Directors (BOD) includes up to thirteen representatives from the private sector and six representatives from the public sector, with one from Blaine Co and one from each of the Blaine County municipal bodies as well as an ex officio member from the Idaho Department of Commerce. The BOD operates as a collegial body with four standing committees – Executive, Finance, Governance & Advocacy.

SVED has established an annual Action Plan to clarify strategies and identify deliverables. This Action Plan identifies shorter-term Projects and longer-term Programs which SVED will pursue to achieve its objectives.

SUN VALLEY ECONOMIC DEVELOPMENT PROJECTS 2016

Project 1: Increase Local Housing Opportunities (Attract & Retain)

Affordable and workforce housing demand far exceeds supply and is inhibiting business expansions and relocations. SVED will evaluate opportunities to improve such local housing opportunities and support cross-community initiatives. Through community outreach, SVED will seek inputs from the greater community and gather support for the need to change by reducing obstacles and increasing opportunities.

Deliverables: Conduct conversations and collect feedback on housing issues from businesses. Conduct analyses of future demand. Outline options for advocacy and action. Participate in entitlement hearings with municipalities to support select exclusionary exactions and requirements.

Project 2: Increase Local Investment (Attract & Retain)

Investment through relocations, start-ups, and business expansion is required to maintain/grow the local economy while diversifying the business and demographic base. SVED will evaluate and pursue specific opportunities to increase local investment that creates jobs, increases local GDP and adds to the quality of place in Blaine County.

Deliverables: Pursue relocation candidates based on external leads. Conduct at least one business attraction visit to national conference. Act as the go-to for businesses interested in relocating and activate 'Ready Teams' as required. In conjunction with the Cities, initiate selective and site-specific high recruitment activities. Develop a "Sun Valley Talent" network to provide supply and meet demand for professional talent. Support entrepreneurial activities & programs in conjunction with the Ketchum Innovation Center. Explore, test and implement other mechanisms such as the Bring a Business to Blaine promotion to support increased local investment as appropriate.

Project 3: Support Improved Tourism Capabilities (Advocate)

Improving air, lodging and other tourism services in the Wood River Valley remains a critically important economic improvement opportunity. SVED will seek to shape community opinions for improving such services by organizing economic forums, conducting economic analyses and advocating for appropriate expansion of the region's tourism capabilities.

Deliverables: Conduct periodic economic analysis and polling on critical issues. Prepare periodic media articles or convene public forums on such analyses and polling. Provide ongoing technical analysis on economics of tourism to community as required. Support 2017/2018 LOT and other initiatives to expand and improve tourism as appropriate.

Project 4: Prepare Community Economic Reports (Analyze)

Blaine County municipalities, businesses and other organizations require reliable, timely, and relevant economic information to support their development &

operational activities. SVED will conduct periodic economic analyses to allow for year-to-year comparisons of key economic indicators, demonstrate local economic impacts and sector trends, and provide benchmarks to help measure economic objectives and trends.

Deliverables: Prepare most recent year economic profiles for each municipality and the County as a whole. Prepare and/or participate in Economic Impact Analysis for selective organizations. Develop & socialize Blaine Co (Community) Economic Plan to evaluate growth options & implications for government and non-government organizations. Prepare Blaine County relocation marketing collateral/materials. Periodically present analytical findings to community and media to inform and educate.

Project 5: Pursue High Potential Innovation Projects (Attract)

SVED has initiated, structured and sponsored three major innovation projects that would increase jobs and have significant and sustainable local economic impacts. Leveraging existing recreational and cultural strengths/assets, these projects require building collaborative networks across the community to develop, fund and operate. SVED will seek partnerships, operational expertise and funding sources to catalyze local community support for development of appropriate high-potential projects.

Deliverables: Support development of a Human Performance Laboratory/Center of Excellence co-located in the Community Schools new dormitory complex. Continue to pursue development of 'WoodwardTM Air Center' and Culinary Institute in conjunction with other partners. Update business plans as appropriate. Evaluate other potential partners to operate and invest in facilities. Identify and secure supplemental funding from the community as required/appropriate to support development.

SUN VALLEY ECONOMIC DEVELOPMENT PROGRAMS 2016

Program A: Outreach to Business on Economic Development Activities

Participation in and understanding of the local business environment is critical to for business expansion and retention. SVED will actively outreach to engage local businesses as part of an on-going program to monitor economic health. Businesses across a mix of sectors and geographies will be visited to discover challenges confronting local businesses as well as opportunities for growth.

Deliverables: Solicit local business and other organizations for SVED membership. Plan and organize visits of select local businesses. Conduct field interviews with senior management. Track highlighted problems and/or opportunities. Use visit data to identify possible Projects and Programs. Report findings to Board and municipalities as appropriate. Conduct periodic forums as networking opportunities for local businesses. Utilize polling information to secure community input on key issues

Program B: Educate Community on Economic Issues

Limited informative, accurate and up-to-date information is available in our community on a wide variety of economic issues. SVED will periodically provide economic information to the community via meetings, forums, media articles and social media/web postings. The educational focus will be on a wide variety of local economic topics including business activity, employment, housing, tourism, education, government efficiency and other issues of interest to the community. Relevant comparisons with national, regional and resort community trends will be highlighted.

Deliverables: Develop planning calendar detailing communications dates and methods. Organize periodic educational events and/or forums on at least a quarterly basis. Deliver annual economic Summit as appropriate. Prepare monthly community newsletters to broadcast updates on the local economy and other business issues. Present to local organizational boards as appropriate.

Program C: Advocate on Critical Economic Development Issues

Periodically, important community issues will arise which could benefit from rational advocacy in favor of business interests. SVED will work with local governments, economic development, and other organizations to ensure economic issues and interests are fully considered and appropriately addressed. It is anticipated that topics of significance in the near term will include air service, utility enhancements, comprehensive plan preparation and land-use planning.

Deliverables: Support community efforts to improve, expand and educate on issues impacting local economic growth. Support City and County efforts to update Comprehensive Plans and Community Economic Development Strategies. Evaluate options and proposals with regard to utility and other infrastructure enhancements and land-use planning. Participate in committees engaged in the evaluation of infrastructure improvements as

appropriate. Maintain awareness on other emerging community topics of significance. Use economic analysis and polling devices to inform and elicit community perspectives.

Program D: Improve Capabilities to Impact Economic Development

SVED will seek to improve its organizational capabilities, governance processes, public credibility and fundraising capabilities as part of an on-going Program. It will also seek to increase its impact and credibility with both public and private sector leadership. A priority for this year will be to improve its organizational sustainability.

Deliverables: Adjust organizational structure to increase efficiency while maintaining links with community stakeholders. Evaluate improved branding/messaging options and implement as appropriate. Maintain an active and viable BOD and increase member participation on committees and in projects. Continue dialogue with other local economic development organizations about combining/sharing resources and cooperating on projects/programs. Develop longer-term succession plans.

Sun Valley Economic Development Strategic Priority & Focus 2016

In order to ensure an appropriate strategic balance in the Action Plan, each Project and Program have been linked with one or more of the following five strategic focus areas.

#	Name	Attract	Retain	Analyze	Educate	Advocate
1	WF Housing	XXX	X	X	XX	XXX
2	Local Investment	XXX	XX			X
3	Tourism Capabilities	XX		X	X	XXX
4	Economic Reports	XX		XXX	XX	X
5	Innovation Projects	XXX	X	X		XX
A	Business Outreach		XXX		X	X
B	Educate Comm.			X	XXX	X
C	Critical ED Issues	XX		X	XXX	XXX
D	Capabilities			X	X	X
	TOTALS	15	7	9	13	17

Based on this assessment, the 2016 Action Plan is reasonably balanced across the five key strategic focus areas identified by the Board of Directors.

No.	Projects	Activities	SVED Contribution to Success	Current or Potential Impacts						
				Existing Jobs (# FTE's impacted)	New Jobs (# FTE's in 5 years)	New Events (# in 5 years)	New Investment (\$m in 5 years)	New Direct Economic Impact (\$m in Yr5)	New Total Economic Impact (\$m in Yr5)	LOT Impacts (\$m in Yr5)
1	Housing	Increase local housing opportunities	Moderate	na	na	na	na	na	na	na
2	Local Investment	Identify & Develop New Tools to Increase Local Investment	High	-	328	na	\$ 25	tbd	tbd	tbd
3	Tourism	Support improved tourism capabilities	High	4,000	166	na	\$ 103	\$ 10	\$ 539	\$ 14
4	Economics	Prepare Community Economic & Statistical Profiles	High	na	na	na	na	na	na	na
5	Innovation	Develop Sun Valley Culinarium Potential	High	637	28	1	\$ 11	\$ 18	\$ 21	\$ 0.1
		Develop Olympic & Paralympic Training Site potential	High	42	9	10	\$ 5	\$ 14	\$ 16	\$ 0.0
		Develop Woodward/Recreational Venue potential	High	116	26	24	\$ 5	\$ 6	\$ 12	
TOTAL PROJECT IMPACTS				4,795	557		\$ 149	\$ 48	\$ 588	\$ 14

CITY OF SUN VALLEY

RESOLUTION 2016-14

A RESOLUTION OF THE CITY OF SUN VALLEY AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR SERVICES WITH THE BLAINE COUNTY HOUSING AUTHORITY

WHEREAS, The City of Sun Valley is a municipal corporation duly organized and existing under the laws of the State of Idaho Code §50-101 et seq.; and

WHEREAS, Pursuant to Idaho Code § 50-301 and § 50-302, Sun Valley is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry; and

WHEREAS, the City of Sun Valley desires to enter into an agreement with BCHA, an Idaho housing authority, to provide services related to the City's workforce housing needs and for the development and preservation of community housing for low- to moderate-income households; and

WHEREAS, the City of Sun Valley and BCHA have agreed to the terms and conditions of the Contract for Services, a copy of which is attached hereto in "Exhibit 1;"

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUN VALLEY, IDAHO,

SECTION 1: The City of Sun Valley has approved funding for Services with BCHA in the amount of fifteen thousand dollars (\$15,000).

SECTION 2: That the Mayor is hereby authorized to execute a Fiscal Year 2017 Contract with BCHA.

SECTION 3: That this Resolution shall be known as Resolution No. 2016-14 of the City of Sun Valley, Idaho and shall be in full force and effect from and after its passage and approval.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS ____ DAY OF
SEPTEMBER 2016.

Peter Hendricks, Mayor

Nancy Flannigan, Assistant City Clerk

AGREEMENT BETWEEN THE CITY OF SUN VALLEY AND THE BLAINE COUNTY HOUSING AUTHORITY

THIS CONTRACT made and entered into this the _____ day of ~~October~~September, ~~2015-2016~~ by and between the CITY OF SUN VALLEY, IDAHO, a municipal corporation (hereinafter referred to as “the City”) and the BLAINE COUNTY HOUSING AUTHORITY, an Idaho housing authority (hereinafter referred to as “BCHA”).

FINDINGS

1. The City is a municipal corporation duly organized and existing under the laws of the State of Idaho.
2. BCHA is an Idaho independent public body, corporate and politic, duly organized and operating under the laws of the State of Idaho.
3. BCHA has proposed to the City to provide services related to the City’s workforce housing needs and for the development and preservation of community housing for low- to moderate-income households. BCHA provided the City with its Scope of Services, attached hereto as Exhibit “A,” and operating and program budget for FY ~~2016-2017~~ BCHA operations and services, attached hereto as Exhibit “B”.
4. BCHA, in its budget, identified that funding will be required beyond the fees received by BCHA on the sale of deed restricted properties to carry out the proposed work, and in that budget identified the requested funding for Contract for Services needed from Blaine County jurisdictions to compensate BCHA.
5. Pursuant to Idaho Code §§ 50-301 and 50-302, the City is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the city.
6. It is the intention of the City to contract with BCHA to provide such services for consideration as hereinafter provided.
7. BCHA desires to enter into a Contract with the City to provide such services all as hereinafter provided.

NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. **SERVICES TO BE PROVIDED.** BCHA agrees to provide those services described in Exhibit “A”, as an independent contractor.
2. **TERM.** The term of this Contract shall commence on October 1, ~~2015~~2016, and shall terminate on the 30th day of September, ~~2016~~2017.

3. CONSIDERATION. In consideration for providing the professional services as herein provided, the City agrees to pay to BCHA the total sum of \$15,000 (FIFTEEN THOUSAND DOLLARS) payable in two installments: the first 50% in the amount of \$7,500 on or before October 31, 20152016; and the second 50% in the amount of \$7,500 on or before April 1, 20162017. The estimated total revenues and expenditures for providing these services on a regional basis are presented in the BCHA approved budget Exhibit "B".

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4. REPORTING. The BCHA shall provide two reports annually on the services funded through this Contract. The reports shall be delivered on or before April 30, 20162017, and on or before November 15, 20162017, after the end of the fiscal year.

5. TERMINATION. Notwithstanding any contrary provision of this Contract, either party may terminate this Contract effective upon thirty (30) days written notice to the other for any reason or no reason.

6. NOTICES. All notices to be served pursuant to this Contract or which are served with regard to this Contract shall be sent by general mail to the parties at the following addresses:

The City:
City Administrator
City of Sun Valley
Post Office Box 416
Sun Valley, ID 83353

BCHA:
Executive Director
BCHA
Post Office Box 4045
Ketchum, ID 83340

7. EQUAL EMPLOYMENT OPPORTUNITY. BCHA covenants and agrees that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin.

8. TERMINATION. In addition to the termination provision of paragraph 5 above, the parties agree that in the event BCHA fails, refuses or is unable to provide the services set forth herein, the same shall constitute a default under the terms of this Contract, and that the City shall have the power to terminate this Contract upon two (2) days' written notice to BCHA. Furthermore, this Contract shall be terminable by the City upon five (5) days' written notice if BCHA is adjudicated bankrupt, or subject to the appointment of a receiver, or has any of its property attached, or becomes insolvent, or is unable to pay its debts as the same become due.

9. NONASSIGNMENT. This Contract, in whole or in part, shall not be assigned or transferred by BCHA to any other party except upon the prior written consent of the City and approved by the Sun Valley City Council.

10. HOLD HARMLESS. Any contractual obligation entered into or assumed by BCHA, or any liability incurred by reason of personal injury and/or property damage in connection with or arising out of BCHA's obligations pursuant to this Contract shall be the sole responsibility of BCHA, and BCHA covenants and agrees to indemnify and hold the City harmless from any and all claims or causes of action arising out of BCHA's activities and

obligations as set forth hereinabove, including, but not limited to, personal injury, property damage and employee complaints.

11. ENTIRE CONTRACT. This Contract contains the entire agreement between the parties hereto and shall not be modified or changed in any manner, except by prior written agreement executed by the parties hereto. If any term or provision of this Contract or application thereof shall be declared invalid or unenforceable by a court of competent jurisdiction, the remainder of this Contract shall not be affected thereby and shall remain in full force and effect.

13. SUCCESSION. This Contract shall be binding upon all successors in interest of either party hereto.

15. LAW OF IDAHO. This Contract shall be construed in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed on the day and years first written above.

BLAINE COUNTY HOUSING AUTHORITY

CITY OF SUN VALLEY

By _____
David Patrie
Executive Director, Blaine County
Housing Authority

By _____
Peter Hendricks
Sun Valley Mayor

ATTEST:

By _____
Nancy Flannigan
Sun Valley Assistant City Clerk

AGREEMENT BETWEEN THE CITY OF SUN VALLEY AND THE BLAINE COUNTY HOUSING AUTHORITY

THIS CONTRACT made and entered into this the _____ day of September, 2016 by and between the CITY OF SUN VALLEY, IDAHO, a municipal corporation (hereinafter referred to as “the City”) and the BLAINE COUNTY HOUSING AUTHORITY, an Idaho housing authority (hereinafter referred to as “BCHA”).

FINDINGS

1. The City is a municipal corporation duly organized and existing under the laws of the State of Idaho.

2. BCHA is an Idaho independent public body, corporate and politic, duly organized and operating under the laws of the State of Idaho.

3. BCHA has proposed to the City to provide services related to the City’s workforce housing needs and for the development and preservation of community housing for low- to moderate-income households. BCHA provided the City with its Scope of Services, attached hereto as Exhibit “A,” and operating and program budget for FY 2017 BCHA operations and services, attached hereto as Exhibit “B”.

4. BCHA, in its budget, identified that funding will be required beyond the fees received by BCHA on the sale of deed restricted properties to carry out the proposed work, and in that budget identified the requested funding for Contract for Services needed from Blaine County jurisdictions to compensate BCHA.

5. Pursuant to Idaho Code §§ 50-301 and 50-302, the City is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the city.

6. It is the intention of the City to contract with BCHA to provide such services for consideration as hereinafter provided.

7. BCHA desires to enter into a Contract with the City to provide such services all as hereinafter provided.

NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. SERVICES TO BE PROVIDED. BCHA agrees to provide those services described in Exhibit “A”, as an independent contractor.

2. TERM. The term of this Contract shall commence on October 1, 2016, and shall terminate on the 30th day of September, 2017.

3. CONSIDERATION. In consideration for providing the professional services as herein provided, the City agrees to pay to BCHA the total sum of \$15,000 (FIFTEEN THOUSAND DOLLARS) payable in two installments: the first 50% in the amount of \$7,500 on or before October 31, 2016; and the second 50% in the amount of \$7,500 on or before April 1, 2017. The estimated total revenues and expenditures for providing these services on a regional basis are presented in the BCHA approved budget Exhibit "B".

4. REPORTING. The BCHA shall provide two reports annually on the services funded through this Contract. The reports shall be delivered on or before April 30, 2017, and on or before November 15, 2017, after the end of the fiscal year.

5. TERMINATION. Notwithstanding any contrary provision of this Contract, either party may terminate this Contract effective upon thirty (30) days written notice to the other for any reason or no reason.

6. NOTICES. All notices to be served pursuant to this Contract or which are served with regard to this Contract shall be sent by general mail to the parties at the following addresses:

The City:
City Administrator
City of Sun Valley
Post Office Box 416
Sun Valley, ID 83353

BCHA:
Executive Director
BCHA
Post Office Box 4045
Ketchum, ID 83340

7. EQUAL EMPLOYMENT OPPORTUNITY. BCHA covenants and agrees that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin.

8. TERMINATION. In addition to the termination provision of paragraph 5 above, the parties agree that in the event BCHA fails, refuses or is unable to provide the services set forth herein, the same shall constitute a default under the terms of this Contract, and that the City shall have the power to terminate this Contract upon two (2) days' written notice to BCHA. Furthermore, this Contract shall be terminable by the City upon five (5) days' written notice if BCHA is adjudicated bankrupt, or subject to the appointment of a receiver, or has any of its property attached, or becomes insolvent, or is unable to pay its debts as the same become due.

9. NONASSIGNMENT. This Contract, in whole or in part, shall not be assigned or transferred by BCHA to any other party except upon the prior written consent of the City and approved by the Sun Valley City Council.

10. HOLD HARMLESS. Any contractual obligation entered into or assumed by BCHA, or any liability incurred by reason of personal injury and/or property damage in connection with or arising out of BCHA's obligations pursuant to this Contract shall be the sole responsibility of BCHA, and BCHA covenants and agrees to indemnify and hold the City harmless from any and all claims or causes of action arising out of BCHA's activities and

obligations as set forth hereinabove, including, but not limited to, personal injury, property damage and employee complaints.

11. ENTIRE CONTRACT. This Contract contains the entire agreement between the parties hereto and shall not be modified or changed in any manner, except by prior written agreement executed by the parties hereto. If any term or provision of this Contract or application thereof shall be declared invalid or unenforceable by a court of competent jurisdiction, the remainder of this Contract shall not be affected thereby and shall remain in full force and effect.

13. SUCCESSION. This Contract shall be binding upon all successors in interest of either party hereto.

15. LAW OF IDAHO. This Contract shall be construed in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed on the day and years first written above.

BLAINE COUNTY HOUSING AUTHORITY

CITY OF SUN VALLEY

By _____
David Patrie
Executive Director, Blaine County
Housing Authority

By _____
Peter Hendricks
Sun Valley Mayor

ATTEST:

By _____
Nancy Flannigan
Assistant Clerk/Assistant Treasurer

Blaine County Housing Authority
Scope of Services – City of Sun Valley
Exhibit A

1. Asset Management:

- a. Manage the BCHA inventory of for-sale and rental Community Housing for low to moderate income households, which currently includes eight (8) Community Homes within Sun Valley and ninety-four (94) ownership and rental units county-wide that are available to city and other Sun Valley business employees.

Asset management includes, but is not limited to:

- i. monitoring occupancy and other occupant activity to ensure compliance with the applicable BCHA deed covenants at least once each annum;
 - ii. preserving housing stock by ongoing monitoring and enforcement as necessary; and
 - iii. providing referrals to counseling and consulting services to minimize any loss of community housing owners due to payment problems.
- b. Provide Notices of Intent to Sell (or Rent) in a timely manner and work closely with potential buyers from pre-qualification counseling through closing to facilitate quick sales and re-sales and/or rental, as applicable.

2. Database Management:

- a. Maintain accurate, up-to-date database of qualified low to moderate income applicants for BCHA, ARCH Community Housing Trust, and other jurisdiction managed community housing. Update applicant information annually on a quarterly schedule to keep database current.
- b. Match buyers and renters to available Community Housing units, including re-sales, managed by BCHA as well as those managed by ARCH and other organizations or governmental entities.
- c. Provide data regarding the applicant database to the County, cities, developers and civic organizations requesting assistance in planning and allocating community housing. This demographic information will be useful as new developments are being planned. Fees to cover BCHA staff time for analysis of the requested information may be charged to the City.

3. Conduct an annual review of the city's housing benefit:

- a. BCHA will conduct an annual review of the City's housing benefit provided to qualified employees, currently a total of two (2) employees. BCHA keeps current and historical rental data for the north and south valley markets. We use this data to analyze current conditions, identify trends and to predict possible changes in

the market. We also keep current data provided by the Sun Valley Board of Realtors including average and median home prices in the county's distinct markets.

- b. With pertinent information provided by the city, BCHA will analyze employee income, local housing and utility costs compared to widely accepted affordability standards. We will use this analysis to make recommendations to the Mayor and Council regarding an appropriate level of housing benefit.

4. Assist the Sun Valley Community Development Director with the development of a Sun Valley Housing Plan:

- a. Provide material support in the form of data and statistics
- b. Provide policy advice based on BCHA's housing experience subject matter expertise.

CITY OF SUN VALLEY

RESOLUTION 2016-15

A RESOLUTION OF THE CITY OF SUN VALLEY AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR SERVICES WITH THE SUN VALLEY MARKETING ALLIANCE

WHEREAS, The City of Sun Valley (“the City”) is a municipal corporation duly organized and existing under the laws of the State of Idaho Code §50-101 et seq.; and

WHEREAS, Pursuant to Idaho Code § 50-301 and § 50-302, the City is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry; and

WHEREAS, the Sun Valley Marketing Alliance (“SVMA”) is an Idaho nonprofit corporation; and

WHEREAS, the City desires to enter into an agreement with SVMA under which SVMA will provide such services as working to increase Local Option Tax revenues and to establish, implement, maintain, fund and operate a comprehensive marketing program for the Sun Valley Resort area; and

WHEREAS, the City and SVMA have agreed to the terms and conditions of the Contract for Services, a copy of which is attached hereto as “Exhibit 1”; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUN VALLEY, IDAHO,

SECTION 1: That the City of Sun Valley has approved funding for services with SVMA in the amount of two hundred seventy five thousand dollars (\$275,000.00).

SECTION 2: That the Mayor is hereby authorized to execute an FY 17 Contract with SVMA.

SECTION 3: That this Resolution shall be known as Resolution No. 2016-15 of the City of Sun Valley, Idaho and shall be in full force and effect from and after its passage and approval.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS ____ DAY OF
SEPTEMBER 2016.

Peter Hendricks, Mayor

Nancy Flannigan, Assistant City Clerk

CONTRACT FOR SERVICES
BETWEEN THE CITY OF SUN VALLEY, IDAHO AND
THE SUN VALLEY MARKETING ALLIANCE
FOR FISCAL YEAR ~~2016~~2017

THIS CONTRACT FOR SERVICES, (hereinafter referred to as "Contract") made and entered into this ___ day of September, ~~2015~~2016, by and between the CITY OF SUN VALLEY, IDAHO, a municipal corporation (hereinafter referred to as "the City") and the SUN VALLEY MARKETING ALLIANCE, Inc. an Idaho nonprofit corporation with an IRS 501 (c)(6) designation, (hereinafter referred to as "SVMA").

FINDINGS

1. The City is a municipal corporation duly organized and existing under the laws of the State of Idaho § 50-101 et seq.
2. SVMA is an Idaho non-profit corporation with an IRS 501(c)(6) designation engaged in the business of domestically and internationally marketing the Sun Valley, Idaho resort area as a destination resort.
3. Sun Valley is a destination resort city as defined by Idaho Code § 50-1044, as it derives a major portion of its economic wellbeing from businesses catering to the recreational needs and meeting the needs of people traveling to the Sun Valley area. As a resort city, Sun Valley is eligible to and does collect a local option non-property tax.
4. Pursuant to Idaho Code § 50-301 and § 50-302, Sun Valley is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry. Accordingly, the City has the power as conferred by the State of Idaho, to provide directly for certain promotional activities to enhance the trade, commerce, industry, and economic wellbeing of the City.
5. Sun Valley City Ordinance Nos. 389 and 456 provide for the imposition of a non-property tax on the sales price of certain goods sold or otherwise transferred in Sun Valley. Pursuant to the language of the Ordinances, which were approved by the voters of Sun Valley, the municipal sales tax revenue derived shall be used for, among other things, municipal transit, public information and education, and economic-development activity.

CONTRACT FOR SERVICES BETWEEN THE CITY OF SUN VALLEY, IDAHO AND
THE SUN VALLEY MARKETING ALLIANCE FOR FISCAL YEAR 2017~~6~~

6. The primary reason for the City to enter this Contract is to increase Local Option Tax revenues, to wit: those generated by retail sales, food, meals or drinks, ski tickets, lodging, and liquor by the drink in the City of Sun Valley.

7. SVMA is to establish, implement, maintain, fund, and operate a comprehensive marketing program for the Sun Valley resort area.

8. The Organizational Goals of SVMA are consistent with the purposes and findings of Sun Valley Ordinance Nos. 389 and 456.

9. It is the intention of the City to contract with SVMA to provide such services for consideration as hereinafter provided.

10. SVMA desires to enter into a contract with the City to provide marketing services as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, it is agreed by and between the City and SVMA as follows:

1. Services To Be Provided.

1. SVMA agrees to provide Sun Valley resort area marketing services to the City as follows and as further set forth in Exhibit A, which is incorporated herein by reference. For the purposes of this Agreement, the “Sun Valley resort area” means the cities of Sun Valley and Ketchum, Idaho and associated tourist attractions. The marketing services are described in the attached Exhibit A, the Strategic and Operational Plan Summary.
2. SVMA agrees that it shall provide, at its sole expense, all costs of labor, materials, supplies, business overhead and financial expenses, liability insurance, fidelity bonds, and all necessary equipment and facilities required to provide the services as set forth in this Contract.
3. Term. The term of this Contract shall commence on the 1st day of October, ~~2015-2016~~ and shall terminate on the 30th day of September, ~~2016~~2017.
4. Consideration. In consideration for providing the services herein described the City agrees to pay to SVMA the total sum of **TWO HUNDRED SEVENTY FIVE THOUSAND (\$275,000)** payable in twelve equal monthly installments no later than the 15th day of each month. SVMA will provide the City each month during which SVMA performs services hereunder with an invoice setting forth the amount of the installment due for each month; the City shall pay SVMA the amount set forth in such invoice no later than thirty (30) days

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CONTRACT FOR SERVICES BETWEEN THE CITY OF SUN VALLEY, IDAHO AND
THE SUN VALLEY MARKETING ALLIANCE FOR FISCAL YEAR 2017~~6~~

after the date of such invoice. The invoices shall be mailed to the City no later than the following dates: the 1st day of each month.

- a. In consideration and as part of this Contract SVMA agrees to:
 - i. Provide to the City:
 1. Written operational highlights every other month (six times per year);
 2. Written quarterly progress reports towards annual performance metrics specified in Exhibit B, which is incorporated herein by reference; and
 3. A Quarterly Income Statement and a current Balance Sheet.
 - ii. Maintain complete records of all written, electronic and oral complaints received by it from tourists regarding air and ground transportation and tourist facilities in the Sun Valley resort area.
 - iii. Exercise due diligence to obtain from member businesses and other entities, which may be of interest to tourists and visitors to the Sun Valley area, all digital and printed promotional and informational material that may be reasonably available and cause that information to be distributed at the visitor center and/or on the Visit Sun Valley website, as applicable. Non-member businesses may obtain a simple listing by category (name of business, address and phone number) on the www.visitsunvalley.com website upon request.
 - iv. The SVMA will:
 1. Provide to the Sun Valley City Council at a regular meeting twice per year (semi-annually), a presentation outlining the quarterly information in (i) above; and
 2. Provide to the City at SVMA's expense externally prepared financial reviews (actual P&L and year-end balance sheet) on an annual basis and;
 3. Provide to the City all SVMA financial information at any time for any reason with 10 days' notice.
 4. Provide IRS form 990 within thirty (30) days of filing.

- v. Provide SVMA's bylaws to the City and advise the City within two (2) business days in writing of any proposed changes to the bylaws or proposed changes to the organizational structure.
 - vi. Ensure that all SVMA Board meetings are noticed at least thirty (30) days in advance and that such board meetings be open for public attendance.
 - vii. Provide to the City Council a proposed detailed work statement and draft contract for fiscal year ~~2017-2018~~ by June 1, ~~2016-2017~~ to facilitate proper planning and budgeting by the City and the SVMA.
 - viii. Provide, upon request, detailed compensation information for all employees, which shall be kept confidential and discussed by the City Council in executive session only.
- b. Semi-annual reports will be based on the government fiscal year of October 1st to September 30th. The semi-annual reporting schedule for Sun Valley City Council meetings will be as follows, unless notice is given to SVMA of a schedule change, with written notice to SVMA.
- i. Semi-annual report for first half of year: Monthly Regular Council Meeting – May, ~~2016-2017~~
 - ii. Semi-annual report for second half of year: Monthly Regular Council Meeting – November, ~~2016-2017~~
5. Termination. The City may terminate this Contract with ninety (90) days written notice to SVMA with or without cause. The City recognizes that the SVMA has made significant financial commitments (e.g. vendor contracts, leases, employees, etc.) on behalf of the City and SVMA will need time to adjust its obligations. In the event of such termination, the City shall have no further responsibility to make any payment to SVMA under this Contract at the end of the 90-day period. The City reserves the right to request an independent audit under the provisions herein upon termination, and such audit obligation and cost on the part of SVMA shall survive any termination of this Contract.
6. Equal Employment Opportunity. SVMA covenants that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin.
7. Independent Contractor Status. The parties acknowledge and agree that SVMA shall provide its services for the fee specified herein in the status of independent contractor, and not as an employee of the City. SVMA shall

CONTRACT FOR SERVICES BETWEEN THE CITY OF SUN VALLEY, IDAHO AND
 THE SUN VALLEY MARKETING ALLIANCE FOR FISCAL YEAR 2017~~6~~

create, direct, and control its own means and methods of performing this Contract. SVMA and its agents, members, employees, and volunteers, shall not accrue leave, retirement, insurance, bonding, or any other benefit afforded to employees of the City. The sole interest and responsibility of the City under this Contract is to assure itself that the services covered by this Agreement shall be performed and rendered by SVMA in a competent, efficient and satisfactory manner and that full transparency with respect to all financial details of the SVMA organization (including detailed compensation data) be provided to the City and, therefore, to its citizens.

8. Hold Harmless Agreement. Any contractual obligation entered into or assumed by SVMA, or any liability incurred by reason of personal injury and/or property damage in connection with or arising out of SVMA's obligations pursuant to this Contract shall be the sole responsibility of SVMA, and SVMA covenants and agrees to indemnify and hold the City harmless from any and all claims or causes of action arising out of SVMA's activities and obligations as set forth hereinabove, including, but not limited to, personal injury, property damage, and employee complaints.
9. Non-Assignment. This Contract may not be assigned by or transferred by SVMA, in whole or in part, without the prior written consent of the City.
10. Mediation/Arbitration. In the event of any controversy, claim or dispute between the parties concerning this Contract or the breach of this Contract, including questions concerning the scope and applicability of this dispute resolution provision, the parties agree to participate in good faith in a mediation of said dispute in Blaine County, Idaho. If mediation is unsuccessful then the dispute shall be finally settled by binding arbitration in Blaine County, Idaho, pursuant to the rules then applying of the American Arbitration Association and the laws of the State of Idaho. The decision or award in writing of the arbitrator shall be binding and conclusive on the parties to this Contract. The arbitrator shall have no power to award punitive or exemplary damages. Each party will pay their own counsel fees for mediation and equally divide the cost of the mediator. In the case of arbitration, the prevailing party shall be entitled to an award of attorney's fees and costs.
11. Miscellaneous Provisions.
 - a. Paragraph Headings. The headings in this Contract are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Contract or any of the provisions of the Contract.

- b. Provisions Severable. Every provision of this Contract is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Contract.
- c. Rights and Remedies are Cumulative. The rights and remedies provided by this Contract are cumulative and the use of any one right or remedy by any party shall not preclude nor waive its rights to use any or all other remedies. Any rights provided to the parties under this Contract are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
- d. Successor and Assigns. This Contract and the terms and provision hereof shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.
- e. Entire Contract. This Contract contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements between the parties hereto respecting such matters.
- f. Governing Law. This Contract shall be construed in accordance with the laws of the State of Idaho.
- g. Preparation of Contract. No presumption shall exist in favor of or against any party to this Contract as a result of the drafting and preparation of the document.
- h. No Waiver. No waiver of any breach by either party of the terms of this Contract shall be deemed a waiver of any subsequent breach of the Contract.
- i. Amendment. No amendment of this Contract shall be effective unless the amendment is in writing, signed by each of the parties.
- j. Notices. Notices hereunder shall be by personal delivery or US Mail Certified/Return Receipt and shall be deemed effective upon such personal delivery or two (2) business days after mailing, whichever is later. Notices shall be provided as follows:

- a. City: City of Sun Valley
P.O. Box 416
Sun Valley, ID 83353
- b. SVMA: P.O. Box 4934
Ketchum, Idaho 83340

CONTRACT FOR SERVICES BETWEEN THE CITY OF SUN VALLEY, IDAHO AND
THE SUN VALLEY MARKETING ALLIANCE FOR FISCAL YEAR 2017~~6~~

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first set forth above.

CITY OF SUN VALLEY, IDAHO

SUN VALLEY MARKETING ALLIANCE,
INC.

By: _____
Peter Hendricks, Mayor
~~CMO~~ Kristine Poole, Board Chair

By: _____
~~Arlene Schieven, President and~~

DATE: _____

DATE: _____

Attest:

Nancy Flannigan, Assistant Clerk/Assistant Treasurer

DATE: _____

CONTRACT FOR SERVICES BETWEEN THE CITY OF SUN VALLEY, IDAHO AND
THE SUN VALLEY MARKETING ALLIANCE FOR FISCAL YEAR 2017~~6~~

CONTRACT FOR SERVICES
BETWEEN THE CITY OF SUN VALLEY, IDAHO AND
THE SUN VALLEY MARKETING ALLIANCE
FOR FISCAL YEAR 2017

THIS CONTRACT FOR SERVICES, (hereinafter referred to as "Contract") made and entered into this ____ day of September, 2016, by and between the CITY OF SUN VALLEY, IDAHO, a municipal corporation (hereinafter referred to as "the City") and the SUN VALLEY MARKETING ALLIANCE, Inc. an Idaho nonprofit corporation with an IRS 501 (c)(6) designation, (hereinafter referred to as "SVMA").

FINDINGS

1. The City is a municipal corporation duly organized and existing under the laws of the State of Idaho § 50-101 et seq.
2. SVMA is an Idaho non-profit corporation with an IRS 501(c)(6) designation engaged in the business of domestically and internationally marketing the Sun Valley, Idaho resort area as a destination resort.
3. Sun Valley is a destination resort city as defined by Idaho Code § 50-1044, as it derives a major portion of its economic wellbeing from businesses catering to the recreational needs and meeting the needs of people traveling to the Sun Valley area. As a resort city, Sun Valley is eligible to and does collect a local option non-property tax.
4. Pursuant to Idaho Code § 50-301 and § 50-302, Sun Valley is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry. Accordingly, the City has the power as conferred by the State of Idaho, to provide directly for certain promotional activities to enhance the trade, commerce, industry, and economic wellbeing of the City.
5. Sun Valley City Ordinance Nos. 389 and 456 provide for the imposition of a non-property tax on the sales price of certain goods sold or otherwise transferred in Sun Valley. Pursuant to the language of the Ordinances, which were approved by the voters of Sun Valley, the municipal sales tax revenue derived shall be used for, among other things, municipal transit, public information and education, and economic-development activity.
6. The primary reason for the City to enter this Contract is to increase Local Option Tax revenues, to wit: those generated by retail sales, food, meals or drinks, ski tickets, lodging, and liquor by the drink in the City of Sun Valley.
7. SVMA is to establish, implement, maintain, fund, and operate a comprehensive marketing program for the Sun Valley resort area.

8. The Organizational Goals of SVMA are consistent with the purposes and findings of Sun Valley Ordinance Nos. 389 and 456.

9. It is the intention of the City to contract with SVMA to provide such services for consideration as hereinafter provided.

10. SVMA desires to enter into a contract with the City to provide marketing services as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, it is agreed by and between the City and SVMA as follows:

1. Services To Be Provided.

1. SVMA agrees to provide Sun Valley resort area marketing services to the City as follows and as further set forth in Exhibit A, which is incorporated herein by reference. For the purposes of this Agreement, the “Sun Valley resort area” means the cities of Sun Valley and Ketchum, Idaho and associated tourist attractions. The marketing services are described in the attached Exhibit A, the Strategic and Operational Plan Summary.
2. SVMA agrees that it shall provide, at its sole expense, all costs of labor, materials, supplies, business overhead and financial expenses, liability insurance, fidelity bonds, and all necessary equipment and facilities required to provide the services as set forth in this Contract.
3. Term. The term of this Contract shall commence on the 1st day of October, 2016 and shall terminate on the 30th day of September, 2017.
4. Consideration. In consideration for providing the services herein described the City agrees to pay to SVMA the total sum of TWO HUNDRED SEVENTY FIVE THOUSAND (\$275,000) payable in twelve equal monthly installments no later than the 15th day of each month. SVMA will provide the City each month during which SVMA performs services hereunder with an invoice setting forth the amount of the installment due for each month; the City shall pay SVMA the amount set forth in such invoice no later than thirty (30) days after the date of such invoice. The invoices shall be mailed to the City no later than the following dates: the 1st day of each month.

a. In consideration and as part of this Contract SVMA agrees to:

i. Provide to the City:

1. Written operational highlights every other month (six times per year);

2. Written quarterly progress reports towards annual performance metrics specified in Exhibit B, which is incorporated herein by reference; and
 3. A Quarterly Income Statement and a current Balance Sheet.
- ii. Maintain complete records of all written, electronic and oral complaints received by it from tourists regarding air and ground transportation and tourist facilities in the Sun Valley resort area.
 - iii. Exercise due diligence to obtain from member businesses and other entities, which may be of interest to tourists and visitors to the Sun Valley area, all digital and printed promotional and informational material that may be reasonably available and cause that information to be distributed at the visitor center and/or on the Visit Sun Valley website, as applicable. Non-member businesses may obtain a simple listing by category (name of business, address and phone number) on the www.visitsunvalley.com website upon request.
 - iv. The SVMA will:
 1. Provide to the Sun Valley City Council at a regular meeting twice per year (semi-annually), a presentation outlining the quarterly information in (i) above; and
 2. Provide to the City at SVMA's expense externally prepared financial reviews (actual P&L and year-end balance sheet) on an annual basis and;
 3. Provide to the City all SVMA financial information at any time for any reason with 10 days' notice.
 4. Provide IRS form 990 within thirty (30) days of filing.
 - v. Provide SVMA's bylaws to the City and advise the City within two (2) business days in writing of any proposed changes to the bylaws or proposed changes to the organizational structure.
 - vi. Ensure that all SVMA Board meetings are noticed at least thirty (30) days in advance and that such board meetings be open for public attendance.
 - vii. Provide to the City Council a proposed detailed work statement and draft contract for fiscal year 2018 by June 1, 2017 to facilitate proper planning and budgeting by the City and the SVMA.

- viii. Provide, upon request, detailed compensation information for all employees, which shall be kept confidential and discussed by the City Council in executive session only.
- b. Semi-annual reports will be based on the government fiscal year of October 1st to September 30th. The semi-annual reporting schedule for Sun Valley City Council meetings will be as follows, unless notice is given to SVMA of a schedule change, with written notice to SVMA.
 - i. Semi-annual report for first half of year: Monthly Regular Council Meeting – May, 2017
 - ii. Semi-annual report for second half of year: Monthly Regular Council Meeting – November, 2017
- 5. Termination. The City may terminate this Contract with ninety (90) days written notice to SVMA with or without cause. The City recognizes that the SVMA has made significant financial commitments (e.g. vendor contracts, leases, employees, etc.) on behalf of the City and SVMA will need time to adjust its obligations. In the event of such termination, the City shall have no further responsibility to make any payment to SVMA under this Contract at the end of the 90-day period. The City reserves the right to request an independent audit under the provisions herein upon termination, and such audit obligation and cost on the part of SVMA shall survive any termination of this Contract.
- 6. Equal Employment Opportunity. SVMA covenants that it shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin.
- 7. Independent Contractor Status. The parties acknowledge and agree that SVMA shall provide its services for the fee specified herein in the status of independent contractor, and not as an employee of the City. SVMA shall create, direct, and control its own means and methods of performing this Contract. SVMA and its agents, members, employees, and volunteers, shall not accrue leave, retirement, insurance, bonding, or any other benefit afforded to employees of the City. The sole interest and responsibility of the City under this Contract is to assure itself that the services covered by this Agreement shall be performed and rendered by SVMA in a competent, efficient and satisfactory manner and that full transparency with respect to all financial details of the SVMA organization (including detailed compensation data) be provided to the City and, therefore, to its citizens.
- 8. Hold Harmless Agreement. Any contractual obligation entered into or assumed by SVMA, or any liability incurred by reason of personal injury and/or property damage in connection with or arising out of SVMA's obligations pursuant to this Contract shall be the sole responsibility of SVMA, and SVMA covenants and agrees to indemnify and hold the City harmless from any and all claims or causes

of action arising out of SVMA's activities and obligations as set forth hereinabove, including, but not limited to, personal injury, property damage, and employee complaints.

9. Non-Assignment. This Contract may not be assigned by or transferred by SVMA, in whole or in part, without the prior written consent of the City.

10. Mediation/Arbitration. In the event of any controversy, claim or dispute between the parties concerning this Contract or the breach of this Contract, including questions concerning the scope and applicability of this dispute resolution provision, the parties agree to participate in good faith in a mediation of said dispute in Blaine County, Idaho. If mediation is unsuccessful then the dispute shall be finally settled by binding arbitration in Blaine County, Idaho, pursuant to the rules then applying of the American Arbitration Association and the laws of the State of Idaho. The decision or award in writing of the arbitrator shall be binding and conclusive on the parties to this Contract. The arbitrator shall have no power to award punitive or exemplary damages. Each party will pay their own counsel fees for mediation and equally divide the cost of the mediator. In the case of arbitration, the prevailing party shall be entitled to an award of attorney's fees and costs.

11. Miscellaneous Provisions.

a. Paragraph Headings. The headings in this Contract are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Contract or any of the provisions of the Contract.

b. Provisions Severable. Every provision of this Contract is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Contract.

c. Rights and Remedies are Cumulative. The rights and remedies provided by this Contract are cumulative and the use of any one right or remedy by any party shall not preclude nor waive its rights to use any or all other remedies. Any rights provided to the parties under this Contract are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

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P.O. Box 416
Sun Valley, ID 83353

b. SVMA: P.O. Box 4934
Ketchum, Idaho 83340

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first set forth above.

CITY OF SUN VALLEY, IDAHO

SUN VALLEY MARKETING ALLIANCE, INC.

By: _____
Peter Hendricks, Mayor

By: _____
Kristin Poole, Board Chair

DATE: _____

DATE: _____

Attest:

Nancy Flannigan,
Assistant Clerk/Assistant Treasurer

DATE: _____

Visit Sun Valley

Strategic Plan Summary 2016/17

DRAFT





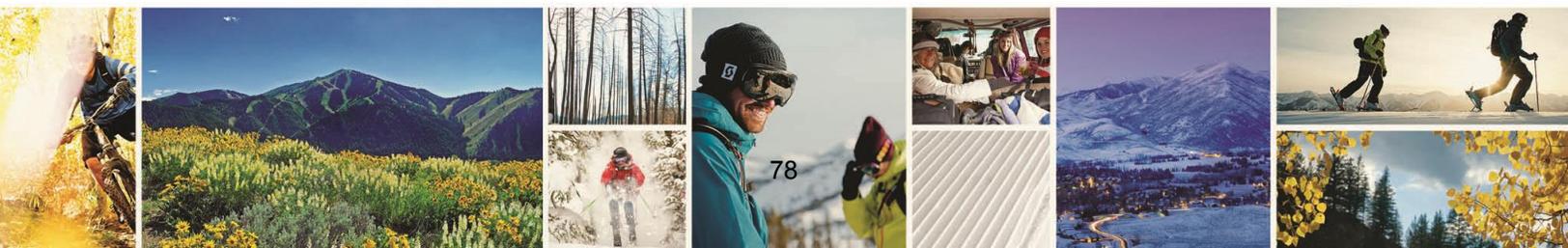
Introduction:

2015/16 marked the second year of increased funds for Visit Sun Valley. The addition of the 1% local option tax for air service and marketing has been instrumental in obtaining strong results over the past two years. A budget of just over two million dollars has allowed for a strong winter and summer presence in our key target markets and has yielded exceptional results. In 2015, the number of room nights sold was up by 15% and 2016 numbers are expected to once again show an overall increase, fueled by strong winter numbers.

Visit Sun Valley has also continued to decrease fixed costs (overhead, Visitor Center operations, salaries and benefits). These fixed costs will account for less than 20% of the total budget in 2016/17, with the remaining 80+% allocated directly to marketing activities.

Visit Sun Valley continues to approach all marketing efforts with a consistent representation of the Sun Valley brand. The combination of brand characteristics that differentiates Sun Valley from its competitors is: active and athletic; pristine and untouched; spirited; unaffected and real; friendly and generous; locally-minded and culture conscious; steeped in history yet future focused. The campaign concept for Winter 2016/17 is "There is no beaten path"(or "the unbeaten path"), which will then be extended into the Summer 2017 campaign as "Wisdom from the unbeaten path". These concepts highlight the still largely undiscovered beauty and abundant offerings of the Sun Valley area. The "unbeaten path" campaigns will focus on the quality and intimacy of the Sun Valley experience.

The seasonal and product campaigns will also highlight the key selling points of Sun Valley over its competitors. These selling points include: no lift lines or crowds on the mountain; 200+ miles of impeccably groomed Nordic trails; 400+ miles of flowy, crowd-free single track mountain biking; a unique combination of world class recreation paired with world class arts and culture. These product strengths are highlighted in an inspirational manner to create an emotional connection with the target audience that will ideally lead to consideration and trial. Once a visitor is inspired to include Sun Valley in their vacation plans, there is a good chance that they will become a repeat visitor. Sun Valley is very successful in securing repeat visitation and sits a full 10 points ahead of its competitors in this regard. The biggest challenge is, therefore, new business development and in particular, creating new demand in markets where the community is supporting air service contracts.



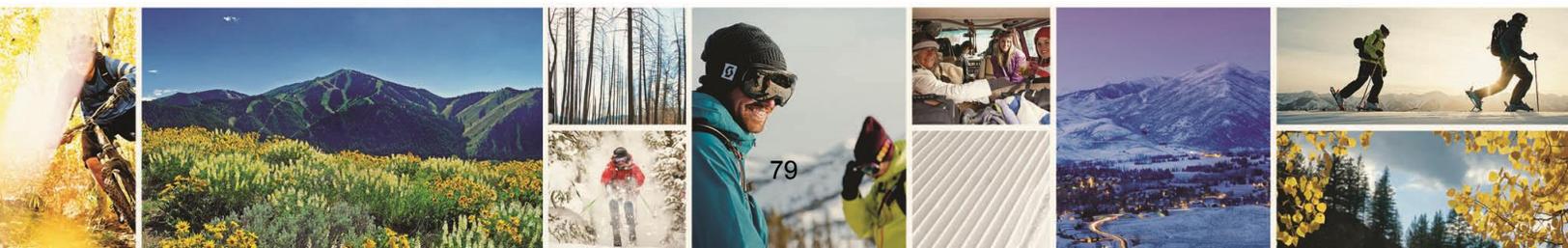
Budget and Financial Outlook:

The table below shows the sources of revenue for 2015/16 and the anticipated sources for 2016/17. The overall budget for 2016/17 is expected to increase by \$500,000 due to more marketing funds from the additional 1% tax and a boost in the funds from the Idaho Travel Council. The additional Air Service funds are a result of strong visitor and enplanement numbers, leading to lower air service contracts with the airlines. This, in turn, results in more money for marketing as well as reserve funds for future flights from new destinations. In addition, for this year only, a \$500,000 grant was received for the new Portland flight, offsetting costs that would otherwise have had to come from the collected 1%.

2015/16 Budget		2016/17 Anticipated	
Core Budget		Core Budget	
City of Ketchum	\$440,000	City of Ketchum	\$440,000
City of Sun Valley	\$275,000	City of Sun Valley	\$275,000
Idaho Travel Council	\$220,000	Idaho Travel Council	\$251,000
Membership	\$80,000	Membership	\$80,000
Miscellaneous	\$10,000	Miscellaneous	\$10,000
Total Core Budget:	\$1,010,000	Total Core Budget:	\$1,056,000
Air Service Budget:	\$1,158,397	Air Service Budget:	\$1,510,750
(\$679K + 176K carryover)		(estimated)	
Total Budget:	\$2.17M	Total Budget (est.):	\$2.57M

The breakdown for expenses is shown in the following table. Fixed costs decreased from \$526K in 2013/14 to \$479K in 2014/15 to \$475K in 2015/16. Fixed costs are anticipated to remain at this new lower level for 2016/17 as well, representing only 18% of total expenses.

2015/2016		2016/2017 Anticipated	
Total Budget	\$2.17M	Total Budget	\$2.57M
Fixed Costs (admin, overhead, Visitor Center, salaries & benefits, etc.)	\$475K	Fixed Costs (admin, overhead, Visitor Center, salaries & benefits, etc.)	\$475K
Marketing (advertising, PR, social media, website, video, photography and research)	\$1.7M	Marketing (advertising, PR, social media, website, video, photography and research)	\$2.1M





Target Markets:

Visit Sun Valley focuses on target markets based on geography, demographics and psychographics.

Geographic Target:

The determination of geographic markets is based on three key factors: budget, access and product/market match. The size of the budget determines the number of geographic markets that can be targeted, while access (air or drive) and product/market match determines those markets most likely to visit and provide the greatest potential ROI.

The funds generated from the 1% tax must be dedicated to air service markets. For winter 2016/17 and summer 2017 (pending confirmation of summer air service routes and frequency), those markets will be:

- Los Angeles, Seattle, San Francisco, Denver, New York and Chicago (as connecting markets to support the Denver flight) and Portland

The core budget will also allow for coverage in the regional (drive) market, particularly Boise and Salt Lake City (summer only for Salt Lake City).

Demographic (age) Target:

The demographic target is primarily focused on the 25-55 age category; however, the passions and interests of a potential visitor supersede any age criteria.

Psychographic Target

Psychographics refer to personality, values, attitudes, interests and lifestyles. For example, anyone who defines themselves as a skier/snowboarder/Nordic skier would be part of the target market, regardless of age. In general, the target market for summer is much broader than that of winter. People who travel to mountain resort destinations in the winter tend to be snowsports enthusiasts. The following areas reflect Visit Sun Valley's primary focus:

- Alpine skiers/snowboarders
- Mountain bikers
- Nordic skiers
- Summer/Shoulder- recreation and culture seekers; event goers





Mission, Vision, Goals and Objectives:

The mission of Visit Sun Valley is:

- To raise awareness of Sun Valley and increase visitor traffic from our target markets

The vision of Visit Sun Valley is:

- Sun Valley will be recognized as a leader in mountain lifestyle through sports, recreation and arts and culture

Overall Goals:

- To increase brand awareness and understanding
- To focus on a younger demographic (25-55), while still maintaining an appeal to all markets
- To increase visitation (sales), particularly in the winter

Overall Objectives:

- To increase room nights sold by 4% (TBD)
- To increase local option tax collected by 4% (TBD)
- To increase SUN enplanements by 4% (TBD)



Operational Plan Summaries

Advertising:

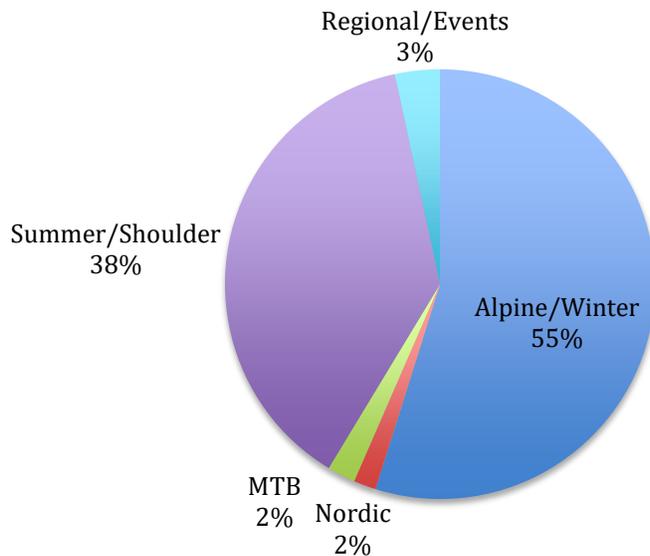
Visit Sun Valley’s advertising budget must be split in several different ways. First, the budget is divided by product sector and corresponding season. It must further be divided by brand awareness efforts (long-term) and short-term transactional efforts in each of these categories. Finally, within these breakdowns of product, season, brand/tactical, the budget must also be split to address priority geographic target markets.

Advertising Budget by Product Sector

The majority of funds will be allocated to winter/alpine. Currently, winter visitation remains below that of summer. Given the investment in winter infrastructure and the potential for more local spending by winter guests, there is significant opportunity to improve these winter results, particularly in light of the increase in nonstop seasonal flights. Winter 2016/17 will see more frequency, a longer season and in some cases, multiple carriers for existing flight destinations, along with new service from Portland.

Summer (recreation and culture) represents the next largest category; again, due to the support for the air service markets. The niche campaigns (Nordic, Mountain Biking and Events) are significantly smaller due to a more limited focus (vertical sector focus for mountain biking and Nordic and regional focus for events).

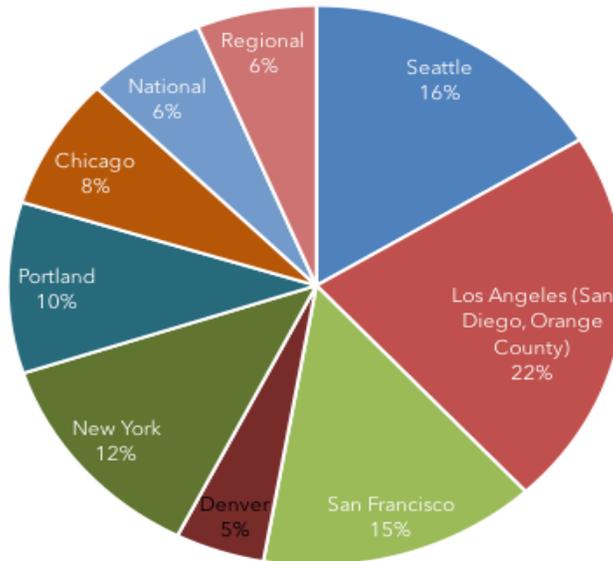
Advertising Budget by Product Sector



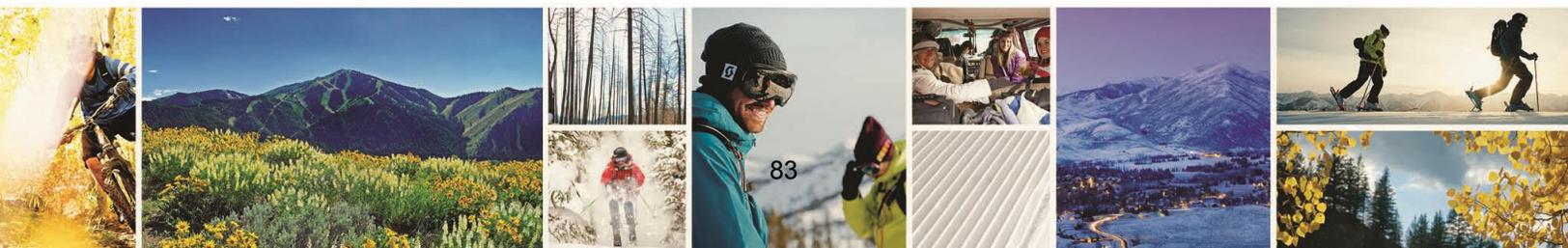
Advertising Budget by Geographic Market

The breakdown of Visit Sun Valley’s advertising is a mix of location specific and niche specific markets. For example, when advertising in a ski/snowboard publication or website, those properties typically have a national reach. The following chart therefore includes “national” to reflect the vertical publications and websites, as well as pay per click advertising (PPC) and retargeting. The majority of the budget will be geo-targeted to focus on the air service markets. The chart below shows the geographic breakdown of the Winter 2016/16 advertising buy. The Summer 2017 advertising buy is not yet confirmed, as it will be based on air service contracts and schedules. However, most of the same markets will be included and the breakdown will be similar.

Winter 2016-2017 Media Breakdown by Market



As identified in the overarching goals, Visit Sun Valley must serve the dual purpose of inspiring and informing potential visitors of everything Sun Valley has to offer while at the same time trying to encourage immediate travel to the area. Given that Visit Sun Valley does not control a product or pricing, the transactional success depends in large part on the offerings of local businesses. Further, Visit Sun Valley can only promote an offer that is relevant to more than one member business. Typically, the role of a destination marketing organization is new business development or furthering the brand recognition of the destination. As such, the goal for the future should be to continue to increase brand awareness efforts relative to tactical advertising. This is particularly important in a destination such as Sun Valley where there is very little brand awareness advertising in the marketplace. Recent research that was completed in California



and Washington reinforced the need for continued inspirational marketing, especially in California where knowledge of Sun Valley is very limited.

The bulk of Visit Sun Valley's advertising (85%+) will be focused on digital media in order to maximize both the budget and measurement of results and to allow for flexibility in messaging (i.e. to reflect changes in snow conditions and prices). However, the goal is to utilize a mix of traditional and non-traditional media to best achieve the stated marketing goals within the allocated budget.

Shifts for 2016/17:

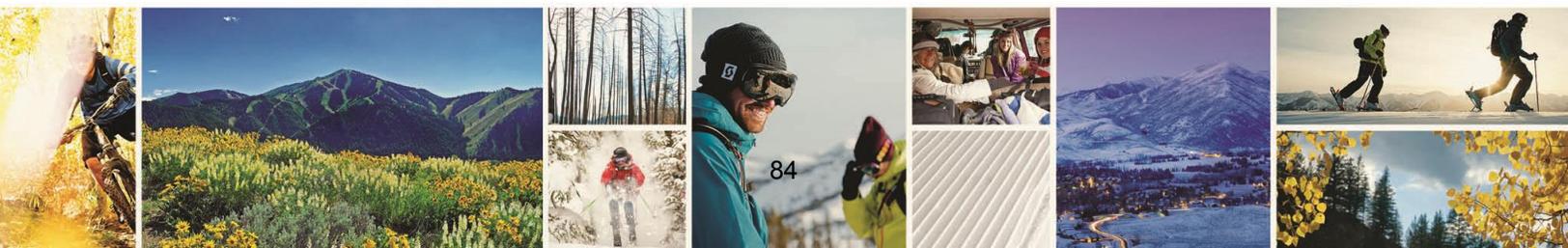
- In 2016, a much greater emphasis was placed on development of video for the upcoming 2016/17 Winter and 2017 Summer campaigns. With these new, high quality videos, the emphasis will shift to media buys providing opportunity to distribute this content
- Continued content marketing to allow for a deeper presentation of Sun Valley's offerings and to utilize more distribution channels to get the word out to our audience
- A more segmented approach to video. With the new video assets, there is an opportunity to be more targeted with our ads to speak to a specific audience (i.e. families, core skiers, resort experience seekers). We will also be able to showcase a greater variety of ads throughout the season

Advertising Goals:

- To increase awareness of the breadth of Sun Valley product offerings
- To stand out from other mountain resorts through clear competitive differentiation
- To provide emotional and rational inspiration that leads to increased visitation

Advertising Objectives:

- To increase visits to www.visitsunvalley.com by a minimum of 10%
- To achieve click-through rates on digital campaigns of at least 3X the industry average
- To increase brand awareness in California (top of mind mentions currently at 1.6%) and Washington (top of mind mentions currently at 13%) by 1 point and 2 points respectively, over the next 2 years



Public Relations (PR)

PR is a critical component of the marketing outreach for Visit Sun Valley. In order to leverage a relatively small budget, Visit Sun Valley needs to garner earned media to gain significant exposure. This can be done in a number of ways, including the following:

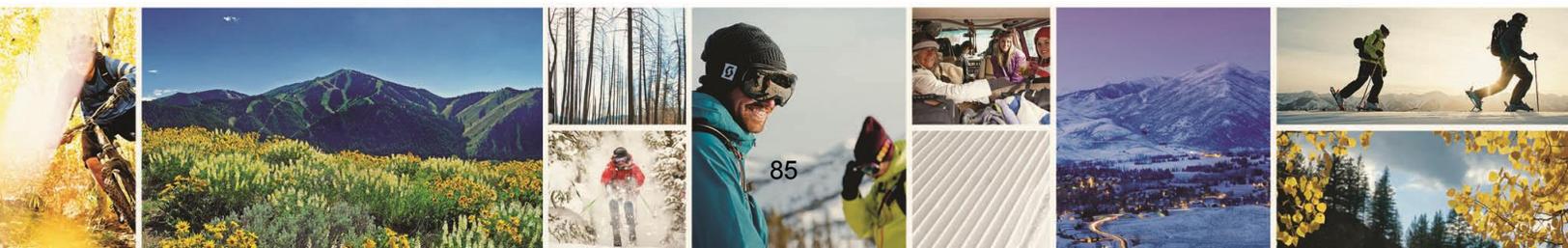
- A unique PR hook/campaign that draws attention to the destination in an unusual and compelling way. For example, the “Skip Town” promotion that was launched in the summer of 2012 focused on something that was both topical (connection of the virtual environment to the actual physical environment) and unique (nothing like this had been done before). This promotion resulted in an unprecedented 2.7 million dollars of PR coverage for Sun Valley along with exposure to a new and relevant audience (the tech crowd)
- Engaging in contests that select top towns/resorts for a specific activity (i.e. skiing) or attribute (i.e. best art town)
- Hosting editors and writers to experience Sun Valley first hand. Again, a significant hook is required to compel both the visit and any resulting coverage
- Ongoing outreach, including the development of personal relationships, dissemination of press releases, etc.

In the coming year, Visit Sun Valley will once again host both individual writers and groups of writers. Partnerships with the community, the Sun Valley Resort and the Idaho Travel Council remain key to the success of these trips. With limited resources available for PR, Visit Sun Valley must be extremely targeted with outreach and must engage partners such as these to ensure success for the area.

In January of 2016, Visit Sun Valley began working with a PR agency partner (Fahlgren-Mortine out of Boise) to assist in pro-active outreach. Fahlgren-Mortine’s extensive list of contacts provides an opportunity to leverage their existing relationships and secure media we would not be able to secure on our own.

Shifts for 2016/17:

- Focus on new hospitality options and activities in the valley (Limelight Hotel, Mountain Collective pass continuation, new trail systems, events)
- Less focus on itineraries and more focus on unscripted experiences for writers experiencing Sun Valley
- Leveraging instant exposure of Sun Valley by maximizing social networks of visiting writers/bloggers/social influencers



Visit SunValley

- Focus on verticals for press trips – i.e. inviting a skiing blogger to come to Sun Valley and maximizing their connections
- Curating one-on-one experiences with visiting media showing them the local ins and outs
- More focus on image/video library for media access
- Additional resources provided on the media section of the website

Public Relations Goals:

- To increase the visibility of Sun Valley in the media
- To increase earned media coverage of Sun Valley
- To increase relationships with a diverse range of media as related to Sun Valley's broad product offering
- To influence positive perceptions of Sun Valley both regionally and nationally

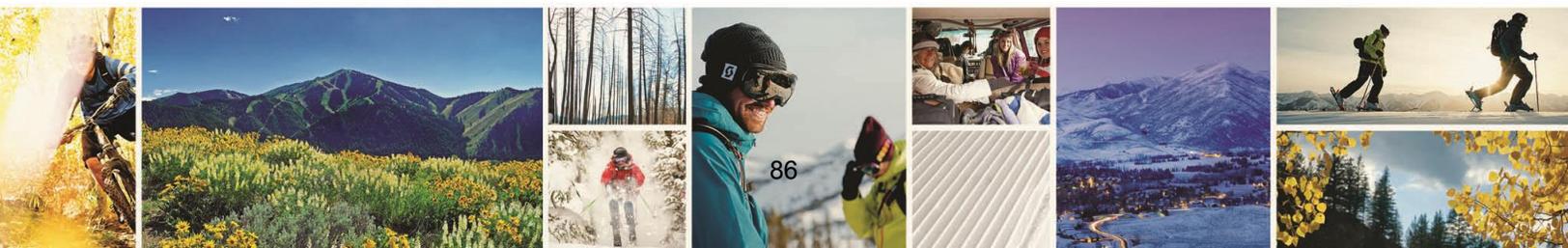
Public Relations Objectives:

- To secure one major piece of coverage in each nonstop fly market – Seattle, Los Angeles, San Francisco, Denver and Portland
- To secure two major pieces of coverage in winter-oriented outlets
- To secure two major pieces of coverage in bike/outdoor outlets
- To secure one major piece of coverage in a mainstream media outlet
- To secure one major piece of coverage featuring a signature Sun Valley event
- To secure one major piece of coverage featuring arts and culture

Social Media

Social media provides an excellent platform for visitors to share their experiences and pass along positive word of mouth to potential visitors. Sun Valley's followers tend to be highly engaged and are great ambassadors for the area. Visit Sun Valley's social media program consists of Facebook, Twitter, Pinterest, Instagram, Google+ and the Searching for Sun Valley blog.

Facebook continues to be the primary focus for Visit Sun Valley's efforts. The strategy of working together with the Sun Valley Resort has been very effective as it provides one point of contact for visitors interested in Sun Valley and avoids duplication of efforts. Numbers continue to grow at a steady, albeit slower, pace. Recent changes to Facebook for businesses have introduced new challenges in ensuring our audience is exposed to our content. As a result, more funds will need to be dedicated to promoted posts in the coming year.



The Searching for Sun Valley blog will continue to showcase stories and imagery that reveal the unique and interesting character of Sun Valley. We will look to our hand-selected storytellers to inspire and inform readers about a wide range of Sun Valley offerings.

Over the past year, more emphasis was placed on Instagram, with a corresponding jump in the number of followers. Instagram is becoming an increasingly vital part of the social media mix in creating awareness and inspiring potential visitors. Continual engagement with users tagging photos with #SunValley and #SeekSunValley plays an important role in acquiring new followers. Instagram tags such as #SunValley and #SeekSunValley have also been successful in both securing great imagery and enticing new followers. New visibility limitations from Instagram as part of their evolving “pay to play” platform will require more allocation of dollars for promoting posts. Coupling this obstacle with the need to distribute engaging, interesting content across all of the social media properties will be our biggest obstacles in keeping the momentum going.

Shifts for 2016/17:

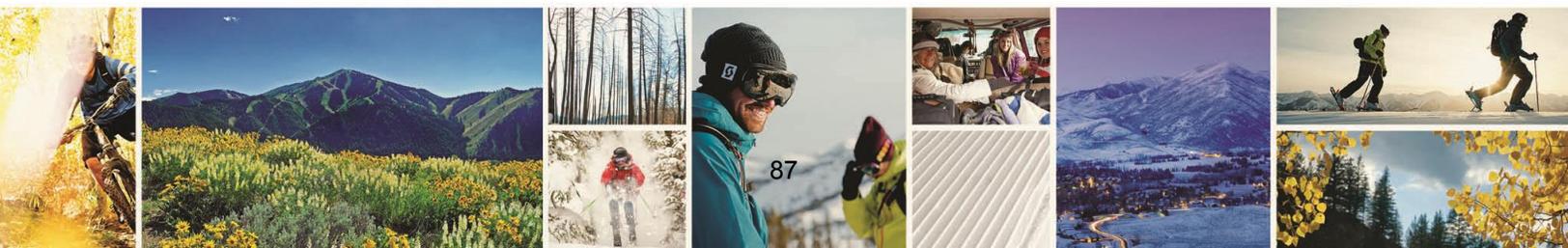
- Focusing even more on inspirational imagery to continue to engage followers and encourage sharing
- Increasing outreach efforts to various media with story starters and Sun Valley FAM visits.
- Maximizing the social networks of visiting media

Social Media Goals:

- To increase the quality, regularity and volume of fresh and engaging content for social media platforms
- To utilize social media to increase visitation to www.visitsunvalley.com
- To maintain high engagement levels of Visit Sun Valley’s social media followers

Social Media Objectives:

- To grow Facebook Fans by 7% in 2016/17
- To grow Twitter followers by 5% in 2016/17
- To grow Instagram followers by 15% in 2016/17
- To increase visits from social media to the website by 10% in 2016/2017



Event Tourism:

Events provide exposure for first-time visitors who may not have experienced Sun Valley otherwise. This is particularly true for established events that come with their own following – such as the US National XC Mountain Biking Championships that were held in Sun Valley in 2011 and 2012.

Events also animate the destination and project a fun and vibrant image to visitors. While the event may not have been the reason for a visitor's trip, the contribution of the event to the overall experience can be a reason to return and/or may lead to positive word of mouth.

Sun Valley is home to many events of all sizes and genres. Most are on a local or regional scale and occur primarily during the summer. The majority of the larger events are focused on the arts and culture or sporting events which attract a somewhat older visitor. These excellent events, while vital to the local economy, may not attract a younger visitor.

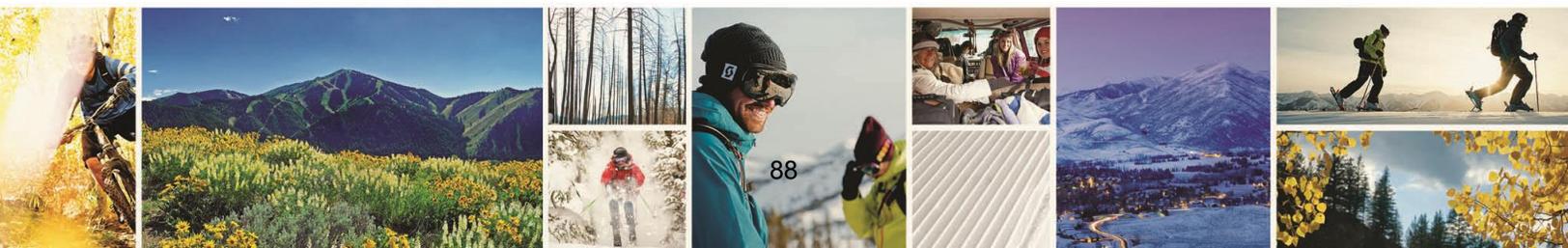
So, while Sun Valley has a plethora of events in the summer and early fall, there is an opportunity to attract events in the winter and early/late shoulder seasons to help build visitation in those softer periods and to expose new visitors to Sun Valley. Strategically, these events should speak to a younger demographic and highlight the outdoor recreation of the area.

Visit Sun Valley's role in events is to both provide support to signature events via existing marketing vehicles and to connect with 3rd party event producers (proactively and reactively) to identify potential events for Sun Valley that will help fill periods of need. It should be noted that this needs to be a community-wide effort, ideally including the Sun Valley Resort, the City of Sun Valley and the City of Ketchum.

For the past three summers, Visit Sun Valley has coordinated a regional events campaign to showcase area events as a reason to visit Sun Valley in the summer and fall. The campaign has grown each year, both in terms of budget and number of events that are profiled. Advertising for this campaign is focused primarily on Boise and Salt Lake City.

Shifts for 2016/17:

- In 2016/17, Visit Sun Valley will focus on providing more information for local event producers as to how we can help support their event. This information will include details on all of the tools that currently exist, including the event calendar, the Visitor Center, assistance with media visits, the events campaign and social media exposure.



Event Tourism Goals:

- Use events as a hook to increase interest in Sun Valley – both direct to consumer and via the media
- Act as the first point of contact for large events that express an interest in Sun Valley (reactive)

Event Tourism Objectives:

- Work with a minimum of 10 local event producers (based on the events with either the greatest attendance or the strongest PR hook) to promote their signature events externally to grow visitation
- Produce an annual umbrella campaign to highlight Sun Valley events and encourage attendance

Visitor Services:

Visit Sun Valley currently operates the Visitor Center using both technology and personal assistance to visitors via paid staff.

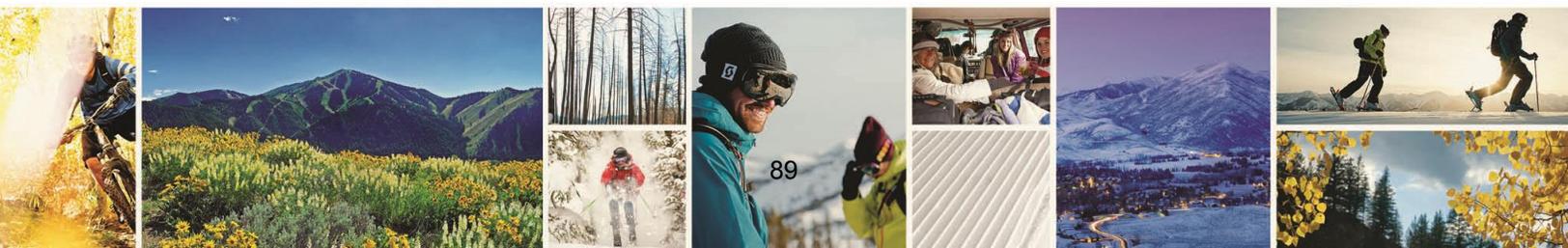
In addition to the physical Visitor Center, there are other mechanisms in place to serve potential visitors. These include a “Contact Us” form on the website, the 1-800 number and a “Live Chat” function that allows visitors to ask questions real-time with a Visitor Center Agent.

Visitor Services Goals:

- To continue to identify new and innovative ways of meeting visitor needs both prior to arrival and in Sun Valley
- To provide exceptional customer service to all visitors and potential visitors
- To showcase member businesses and services to meet visitor needs (as well as non-member businesses, where/when applicable)

Visitor Services Objectives:

- To operate the Visitor Center year-round; 365 days per year
- To respond to “Contact Us” visitor emails within 24 hours of receipt on Monday through Thursday and within 48 hours of receipt for emails received on Friday, Saturday and Sunday





- To operate the “Live Chat” for a minimum of 7 hours per day on Monday through Thursday

Member Services:

Membership for Visit Sun Valley has been growing steadily over the past few years – from 242 to 2011/12 to 302 in 2012/13 to 325 in 2013/14 and to 355 + in 2014/15. In an effort to further increase the participation of the local business community, the membership dues structure was revised for 2014/15, lowering dues for all categories. The lower rates remained in effect for 2015/2016 and resulted in a membership high of 380. The same rate structure will continue into 2016/2017, as will continued outreach by staff, the Board and the Advisory Committee. However, more research will be conducted during the year in anticipation of moving to a free membership model for fiscal year 2017/2018.

A free membership model would ensure that a visitor would have exposure to all relevant businesses, regardless of their membership status with Visit Sun Valley. Membership was initially adopted from the previous Chamber of Commerce model. However, with numerous membership organizations throughout the Wood River Valley all vying for dollars from local businesses, it has become more challenging to continue to secure memberships and less relevant to use membership numbers as a measure of success for an organization that is focused on external marketing.

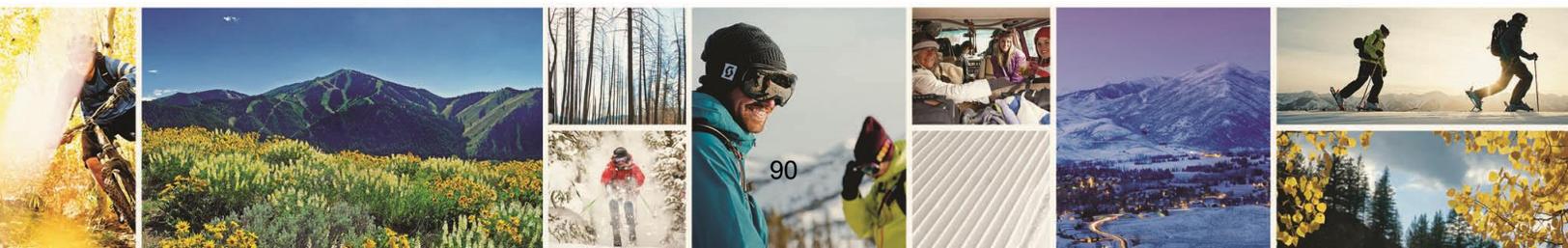
Shifts for 2016/17:

- More in-person outreach by the Member Services Coordinator, the Executive Director, the Board and the Advisory Committee to both existing and potential new members
- More focus on business to business activities, especially social opportunities and skill building; ideas include: co-hosting visitor related events with another organization; enhancing meetings with social engagements; including a guest speaker (i.e. Trip Advisor or a speaker on marketing to millennials) at meetings
- More outreach to other local and regional organizations

Member Services Goals:

- To retain existing members and attract new members
- To increase member engagement

Member Services Objectives:



Visit SunValley

- To increase the number of members by 5% (400) by the end of September 2017
- To retain 90% of the existing 380 members
- To increase attendance at community meetings by 10%
- To increase member feedback and participation at the semi-annual community meetings



Visit Sun Valley 2015/2016 Performance Tracking - Exhibit B

Measure	Actuals @9.30.14	Actuals @9.30.15	Target increase for 15/16	Actuals @9.30.16	Target increase for 16/17	Progress towards target	Source of Measurement
1. Sales Indicators							
Skier Visits	348,269	359,000	390,000	419,248	TBC		SVR - target to reflect SVR goals
Room Nights Sold, Winter (Nov-Apr)	100,259	119,460	125,000	126,763	TBC		Member Hotels
Room Nights Sold, Summer (May-Oct)	131,644	153,373	158,373		TBC		Member Hotels
Total Enplanements	65,644	69,986	72,785		TBC		Freidman Memorial Airport
Estimated # of Visitors	328,000	399,000	415,000		TBC		Various - compiled by VSV
2. Brand Engagement							
Facebook Fans	58,127	66,000	70,000		+7%		Internal
Twitter Followers	5,235	6,435	7,000		+5%		Internal
Instagram	1,630	4,000	4,600		+15%		Internal
Website Visits	319,119	428,669	470,000		+10%		Google Analytics
3. Internal							
Membership	326	360	380		+5%		Internal

CITY OF SUN VALLEY

RESOLUTION 2016-16

A RESOLUTION OF THE CITY OF SUN VALLEY AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR LEGAL SERVICES WITH PROSECUTING ATTORNEY FREDERICK ALLINGTON

WHEREAS, The City of Sun Valley (“the City”) is a municipal corporation duly organized and existing under the laws of the State of Idaho Code §50-101 et seq.; and

WHEREAS, Pursuant to Idaho Code § 50-301 and § 50-302, the City is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry; and

WHEREAS, Prosecuting Attorney Frederick Allington will provide legal services for prosecution of misdemeanors for the City; and

WHEREAS, Frederick Allington has agreed to provide Fiscal Year 2017 Legal Services in the amount of \$23,901.

THEREFORE, IT IS RESOLVED BY THE CITY OF SUN VALLEY, IDAHO

SECTION 1: The City of Sun Valley has approved funding for the contract with Attorney, Frederick Allington in the amount of \$23,901.

SECTION 2: That the Mayor is hereby authorized to execute a FY17 Contract with Prosecuting Attorney, Frederick Allington.

SECTION 3: That this Resolution shall be known as Resolution No. 2016-16 of the City of Sun Valley, Idaho and shall be in full force and effect from and after its passage and approval.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS THE ____ DAY OF September 2016.

Peter Hendricks, Mayor

Nancy Flannigan, Assistant City Clerk

AGREEMENT FOR PROSECUTION OF CITY MISDEMEANORS

AGREEMENT made this _____ day of _____, 2016, between FREDERICK C. ALLINGTON, ESQ., hereinafter referred to as "Attorney", and THE CITY OF SUN VALLEY, IDAHO, (hereinafter referred to as "City");

WITNESSETH

WHEREAS, Idaho Code §50-208 requires that the city attorney, his/her deputies or contract counsel of any municipality shall prosecute those violations of county or city ordinances, state traffic infractions and state misdemeanors committed within the municipal limits; and

WHEREAS, Idaho Code §§50-208 and 50-301 allows any city to contract for alternative additional counsel when deemed advisable; and

WHEREAS, THE City desires to contract with Attorney to prosecute those violations of county or city ordinances, state traffic infractions and state misdemeanors committed within the municipal limits of the City when arresting or charging officer is an employee of one of the City; and

WHEREAS, Attorney desires to contract with the City to accept the duty and receive the authority to prosecute those violations of county or city ordinances, state traffic infractions and state misdemeanors committed within the municipal limits of the City when the arresting or charging officer is an employee of one of the City; and

WHEREAS, The City deems the expenses corresponding to the services provided by Attorney as ordinary and necessary pursuant to Art. VIII, §3 of the Constitution of the State of Idaho; and

NOW, THEREFORE, in consideration of the foregoing and the City's payment to the Attorney of compensation hereinafter provided, the parties hereby agree as follows:

1. PERFORMANCE OF SERVICES.

- A. Attorney will prosecute all misdemeanor crimes, traffic offenses, and ordinance violations occurring within the city limits for which an arrest is made or a citation issued by an officer of City and appeals thereof from magistrate to district court.
- B. In addition, Attorney agrees to provide the City with the following specific services:
 - (1) Render legal advice, when requested, to the City's police departments and police officers on a 24 hour per day seven (7) days per week basis (insofar

as is possible) regarding all police matters relating to criminal law and criminal procedure; and

- (2) Office consultation with City's police officers concerning the filing of charges; and
- (3) Draft all complaints, arrest and search warrants, and summonses relating to criminal charges; and
- (4) Prepare for and conduct all probable cause hearings in cases related to criminal charges; and
- (5) Draft affidavits in support of search warrants and arrest warrants; and arrange, prepare for and conduct all hearings necessary to obtain said warrants; and
- (6) Prepare for and conduct all hearings or motions scheduled for a hearing in any case within the scope of this Agreement, and any appeal thereof from magistrate to district court. Such hearings include but are not limited to, arraignments, bond hearings, motions to suppress and sentencings; and
- (7) Prepare and conduct all trials in any case within the scope of this Agreement, whether such trial shall be by bench or by jury, and any appeal thereof; and
- (8) Keep informed of new developments in criminal law and criminal procedure.

C. The inclusion of any services by specific reference in this Agreement is not intended as an exclusion of other services necessary and proper to the fulfillment of this Agreement.

D. The Attorney agrees that all services provided pursuant to Section 1 of this Agreement shall be in accordance with the Idaho State Bar Association's Rules of Professional Responsibility.

2. **TIME OF PERFORMANCE AND TERMINATION.** This Agreement shall be in full force and effect from the 1st day of October, 2016 through the 30th day of September, 2017

3. **COMPENSATION**

AGREEMENT FOR PROSECUTION

Page 2

- A. Compensation per year of TWENTY THREE THOUSAND NINE HUNDRED ONE DOLLARS (\$23,901) will be paid to Attorney as consideration for providing the services necessary to the fulfillment of this Agreement from October 1, 2016 through September 30, 2017.
 - B. Attorney agrees that the compensation fixed in paragraph 3A above shall constitute the total amount of compensation to be awarded under the terms of this Agreement with one half payment due on the first day of October and the second half due on first day of April commencing on October 1, 2016.
 - C. Compensation to all other persons, entities and organizations for services and materials necessary to the fulfillment of the terms of this Agreement, including professional liability insurance, shall be the sole responsibility and obligation of Attorney; Attorney shall have the discretion to hire or retain such clerical, administrative, paralegal or legal help as may be necessary to the fulfillment of the terms of this Agreement.
4. **INDEPENDENT CONTRACTOR STATUS.** Attorney is retained only for the purposes and to the extent set forth in this Agreement. The parties to this Agreement intend that the relationship of the Cities to the Attorney shall be that of an independent contractor. As such, the Attorney shall not be entitled to any benefits which the City may provide to their respective employees, including, but not limited to, unemployment compensation, medical insurance or similar benefits. Nothing herein shall be construed to constitute an intent to form a partnership, employment, joint venture or other relationship except as acknowledged herein by the parties. The parties shall, at all times, take all necessary actions to maintain such relationship, including, but not limited to, the filing of necessary tax documents consistent herewith.
5. **COSTS OF PROSECUTION.** City is responsible to pay directly any and all costs of prosecution including, but are not limited to, witness fees, travel costs and transcript costs. For costs of prosecution in excess of ONE HUNDRED and no/100 Dollars (\$100.00), the Attorney will review the merits of the case and reasons for the costs with the Chief of Police for the City who, in turn, has full discretion to authorize payment of the projected costs of prosecution.
6. **CONFLICT OF INTEREST.**
- A. To the extent that a conflict of interest arises due to a criminal defendant's employment position, the city where the alleged offense occurred, with the assistance of Attorney, shall arrange and pay for the prosecution. Such criminal defendants shall include, but are not limited to, elected and appointed city officials,

law enforcement personnel, Blaine County Prosecuting and Deputy Prosecuting Attorneys. Attorney shall make a good faith effort to arrange for a conflict prosecutor at no charge.

- B. To the extent that a conflict of interest arises due to a criminal defendant's position as a practicing attorney whom Attorney has significant contact with as opposing counsel, the Attorney shall make a good faith effort to arrange for a conflict attorney to prosecute the case without charge. If Attorney cannot arrange for such a conflict attorney, then the city where the alleged offense was committed shall arrange and pay for the cost of prosecution.
 - C. To the extent that a conflict of interest arises that is not addressed in Subsections 6A or 6B, Attorney shall arrange and pay for the cost of prosecution.
7. **DISCRETION.** Attorney shall have ultimate discretion in all charging decisions, plea agreements and dispositions of cases prosecuted on behalf of City, but will fully consider the requests and input of the chiefs of police of City with regard to particular cases or class of cases.
 8. **COMPLIANCE WITH LAWS.** The Attorney agrees to comply with all federal, state, city and local laws, rules and regulations.
 9. **TERMINATION OF AGREEMENT.** Either party may terminate this agreement upon 30 days written notice.
 10. **AMENDMENTS/ASSIGNMENT.** This Agreement may only be changed, modified, amended or assigned upon the written consent of all the parties.
 11. **HEADINGS.** The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provisions hereof.
 12. **SEVERABILITY.** Every provision of this Agreement is intended to be severable. If any term or provision hereof is deemed invalid or unenforceable by a court of competent jurisdiction, such decision or decisions shall not affect the validity of the remaining portions hereof, which shall continue in full force and effect and applicable to all circumstances to which it may validly apply.
 13. **BINDING AGREEMENT.** This Agreement and the terms and provisions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereof.

14. **ENTIRE AGREEMENT.** This Agreement shall constitute the entire agreement of the parties and is the sum total of the agreements and understandings of the parties hereto, and supersedes and replaces any other written or oral agreements or understandings.
15. **INTERPRETATION.** This Agreement shall be liberally construed in accordance with the general purposes of this Agreement and the laws of the State of Idaho.
16. **NO PRESUMPTION.** No presumption shall exist in favor of or against any party to this Agreement as the result of the drafting and preparation of this document.
17. **EXECUTION.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all together shall constitute one and the same instrument.
18. **ACCEPTANCE.** The parties fully understand all of the provisions of this Agreement, and believe them to be fair, just, adequate and reasonable, and accordingly accept the provisions of this Agreement freely and voluntarily.
19. **AUTHORITY.** Each City hereby represents and acknowledges that the execution of this Agreement has been duly authorized and approved by each City herein.
20. **INDEMNIFICATION.** From and after the commencement of this Agreement, Attorney hereby agrees to hold the City harmless and indemnify the City from any claims arising or resulting from the Attorney's handling of the prosecution of any matter pursuant to this Agreement. This provision is intended to cover all aspects of the Attorney's involvement in a prosecution, including all decisions or conduct prior to charging a defendant as well as thereafter. The term "claims" as used herein shall mean and include any and all liabilities, damages injuries, losses, causes of action, judgments, rights or demands of every kind, asserted or which may be asserted.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ATTORNEY:

CITY OF SUN VALLEY, IDAHO

Frederick C. Allington

Peter Hendricks, Mayor

CITY OF SUN VALLEY

RESOLUTION 2016-17

A RESOLUTION OF THE CITY OF SUN VALLEY
AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT FOR SERVICES FOR FY17
(SUN VALLEY/BLAINE COUNTY GIS SERVICES)

WHEREAS, The City of Sun Valley is a municipal corporation duly organized and existing under the laws of the State of Idaho Code §50-101 et seq.; and

WHEREAS, Pursuant to Idaho Code § 50-301 and § 50-302, Sun Valley is empowered to enter into contracts and take such steps as are reasonably necessary to maintain the peace, good government and welfare of the City and its trade, commerce and industry; and

WHEREAS, the Interlocal Agreement between Sun Valley and Blaine County for GIS Services is in an amount not to exceed 18,151.20.

THEREFORE, IT IS RESOLVED BY THE CITY OF SUN VALLEY, IDAHO

SECTION 1: The City of Sun Valley has approved funding for an Interlocal Agreement for Services for FY17 in the amount of eighteen thousand, one hundred fifty-one dollars and twenty cents (\$18,151.20).

SECTION 2: That the Mayor is hereby authorized to execute an FY 17 Contract with Blaine County.

SECTION 3: That this Resolution shall be known as Resolution No. 2016-17 of the City of Sun Valley, Idaho and shall be in full force and effect from and after its passage and approval.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS THE _____ DAY OF SEPTEMBER 2016.

Peter Hendricks, Mayor

Nancy Flannigan, Assistant City Clerk

INTERLOCAL AGREEMENT
(City of Sun Valley/Blaine County)

RECITALS

WHEREAS, Sun Valley has identified that Geographic Information Systems (GIS) and the hardware, software programs and data that accompany its functionality as important and necessary tools in public administration; and,

WHEREAS, Sun Valley employees and members of the public desire to have access to an internet based GIS system to gain information about properties in Sun Valley; and,

WHEREAS, Sun Valley employees desire the demographic and spatial analysis functionality and ability to map service allocation, city infrastructure, community services, environmental impacts and other factors to aid in strategic planning and operation assessments; and,

WHEREAS, Sun Valley can benefit from a more efficient and accurate on-going data collection process measuring progress and tracking issues related to (not exhaustive) utility records, building permits, vacancy rates, employment trends and redevelopment potential; and,

WHEREAS, Sun Valley employees can share public agency data to reduce costs and guide in the provision of services to those most in need, including community safety, public health and development services; and,

WHEREAS, Sun Valley employees seek to enhance their analytical, problem-solving and decision-making capabilities through the utilization of GIS and work with professionals in the field to incorporate new tools and technologies for personal skill development and community benefit at large; and,

WHEREAS, Sun Valley employees can ultimately make more informed decisions using scenario models and performing needs assessments that are constructed in-house opposed to requesting external proposals and absorbing consulting fees; and,

WHEREAS, the interlocal agreement was in place during FY2016 and budgeted in the adopted Community Planning and Development FY2017 budget.

TERMS

NOW, THEREFORE, subject to the limitations of this agreement and in order to provide assistance between the parties in providing GIS service, it is hereby agreed as follows:

1. DURATION OF AGREEMENT. This Agreement shall not be effective until it is approved by the Board of Commissioners of Blaine County, and the Mayor and City Council of Sun Valley. It shall continue in full force and effect without termination from October 1, 2016

until September 30, 2017. The parties may extend the agreement with the written consent of both parties.

2. PURPOSE. The purpose of this Agreement is to allow the City of Sun Valley to contract with Blaine County for access to a City web based application on the County's web server and to obtain the services of a GIS Analyst for approximately ten percent of the total GIS department's yearly work load.
3. MANNER OF FINANCING AND BUDGET. The City of Sun Valley shall reimburse Blaine County for approximately ten percent (10%) of the total GIS Department's salary and benefits for the FY2016 budget. Such payment shall be \$18,151.20 to be paid in quarterly installments of \$4,537.80.
4. MUTUAL HOLD HARMLESS: Each party to this Agreement agrees to indemnify and hold harmless the other from any and all liability for any injury, damage or claim suffered by any person or property caused by the party or its employee while performing under this Agreement.
5. DUTIES. The provision of these services shall be governed as set out below:

The County agrees to supply a GIS Analyst for 1/5th of that person's effort per year. This person will work at either the City, the County or another mutually agreed upon location to accomplish the tasks assigned them. The City will assign one person to determine tasks and set priorities for this individual. Tasks assigned to the GIS Analyst will be limited only by their experience.

The County agrees to host a web based application on its Web Server machine for the City. Content of the application will be determined by the City and implemented by the GIS Analyst as part of their duties.

The County agrees to provide limited hard copy map production for the City intended primarily to accomplish review of data layers and map design/layout functions. Larger volume map production will need to be accomplished with City equipment or contracted with a third party.

6. AMENDMENT. This Agreement may be amended at any time, and from time to time, by the mutual written consent of the City and the County for any of the following purposes:
 1. To add provisions to the Agreement to benefit either or both the City and the County.
 2. To extend the term of the agreement.
 3. To cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provisions with respect to matters or questions arising under this Agreement which are not inconsistent with the provisions of the Agreement.

7. SEVERABILITY. In the event any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.

IN WITNESS WHEREOF, each of the parties has executed this Agreement by its duly authorized officials.

DATED this _____ day of _____, 2016.

CITY OF SUN VALLEY, an Idaho
municipal corporation

Peter Hendricks, Mayor

ATTEST:

Nancy Flannigan
Assistant Clerk

BLAINE COUNTY, an Idaho political subdivision

Jacob Greenberg, Chairman, Board of Blaine
County Commissioners

ATTEST:

JoLynn Drage, Recorder

CITY OF SUN VALLEY

Anniversary Date	10/1/15 – 10/1/16
Company	ICRMP
Annual Premium	\$95,206

COVERAGE:

LIABILITY:

Each Occurrence	\$3,000,000
Premises and Operations Medical – Each Person	\$ 5,000
Each Accident	\$ 100,000
Law Enforcement – Each Occurrence	\$3,000,000
Auto Liability – Each Occurrence	\$3,000,000
Auto Medical Payments – Each Person	\$ 5,000
Each Accident	\$ 100,000
Uninsured/Underinsured Motorist	\$ 300,000

ERRORS AND OMISSIONS:

Errors and Omissions – Per Occurrence	\$3,000,000
Employee Medical Insurance Benefit Liability	\$3,000,000

CRIME INSURANCE:

Employee Dishonesty	\$ 500,000
Monies and Securities (within premises)	\$ 500,000
Monies and Securities (outside premises)	\$ 500,000
Money Order and Counterfeit Paper Currency	\$ 500,000
Depositors Forgery	\$ 500,000

Deductible \$500

BOILER AND MACHINERY:

Damaged Property:	
Off-Premise Property Damage	\$ 100,000
Data or Media	\$ 100,000
Ammonia Contamination	\$1,000,000
Consequential Loss	\$1,000,000
Hazardous Substance	\$ 500,000
Water Damage	\$2,500,000
Fungus	\$ 15,000
Expediting Expenses	\$2,500,000
Business Income – Included in Annual Aggregate	
Spoilage Damage	\$1,000,000
Utility Interruption	\$2,500,000
Newly Acquired Premises	\$5,000,000
Ordinance or Law	\$5,000,000
Errors and Omissions	\$10,000,000
General Aggregate	\$100,000,000
Deductible	\$ 500

CHEMICAL SPRAYING LIABILITY:

Spraying Liability	\$ 500,000
Medical Payments – Each Person	\$ 5,000
Each Accident	\$ 10,000
Emergency Clean-Up Expense	
Each Person	\$ 5,000
Each Accident	\$ 10,000

FLOOD AND EARTHQUAKE:

Flood – In the Aggregate Annually for all Icrmp Members	\$50,000,000
High Hazard Areas (A&V)	\$ 5,000,000
Moderate Hazard (B&X)	\$25,000,000
Earthquake – In the Aggregate Annually for all Icrmp Members	\$50,000,000

PROPERTY:

Buildings, Structures and Personal Property – Schedule of Values	
Architect Fees	\$ 250,000
Fine Arts	\$ 500,000
Ordinance Deficiency	\$5,000,000
Preservation of Property	\$ 25,000
Property in Course of Construction – New	\$ 100,000
Repairs or Renovations of Existing	\$1,000,000
Service Animals	\$ 10,000
Auto/Mobile Equipment – Physical Damage	\$1,000,000
Operational Disruption Expense	\$1,000,000
Valuable Papers and Records	\$ 100,000
Deductible \$500	

SCHEDULE OF VALUES:

PROPERTY:

1. City Hall – Building	\$1,959,361
Contents	\$ 500,000
2. Elkhorn Fire Station – Building	\$2,411,218
Contents	\$ 550,000
3. Fire Station & Storage – Building	\$ 825,148
Contents	\$ 500,000
4. Fencing	\$ 32,000
5. Street Lights	\$ 60,000
6. Drug Dog (Dax)	\$ 12,000

Items Included – Vacant land on Sun Valley Rd, Bike Paths

VEHICLES:

Administrative Dept.

1. 2001 Ford Expedition	\$ 25,000
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Buildings & Grounds

1. 2002 Ford Explorer	\$ 15,000
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Fire Department

1. 1996 Ford F150	\$ 35,000
2. 1988 Sutphen	\$ 787,500
3. 1989 Odin	\$ 205,000
4. 1996 HME/BME	\$ 712,500
5. 1985 Chevy School Bus	\$ 165,000
6.. 2003 Chevy Suburban	\$ 45,000
7. 2008 Chevy Suburban	\$ 35,000
8. 1994 Intern'l Navistar	\$ 25,000
9. 2008 Chevy Silverado	\$ 25,000
10. 2008 Pierce Pumper	\$ 462,500
11. 2014 Ford F550	\$ 45,000
12. 2014 Pierce	\$ 950,000

Law Enforcement

1. 2004 Ford Expedition	\$ 25,000
2. 2006 Ford Expedition	\$ 25,000
3. 2008 Ford Expedition	\$ 25,000
4. 2012 Ford Expedition	\$ 25,000
5. 2012 Ford Expedition	\$ 25,000
6. 2016 Ford Expedition	\$ 25,000

Road & Bridge:

1. 2006 Ford F350	\$ 15,000
2. 2001 Ford F350	\$ 15,000
3. 2004 Ford F350	\$ 25,000
4. 2006 Peterbilt Snowplow	\$ 125,000

Mobile Equipment

1. 1999 Oshkosh Snowplow	\$ 150,000
2. 1999 Oshkosh Snowplow	\$ 150,000
3. 2000 Elgin	\$ 60,000
4. Bobcat Toolcat Model 5600T	\$ 55,000
5. John Deere Loader 544H	\$ 45,000

Mobile Equipment under \$25,000

Snowmobiles & Trailer	\$ 81,000
Segway Scooter	



Policy Year

2016-2017

PUBLIC ENTITY
Multi-Lines Insurance
Policy

Issued for:

City of Sun Valley

Issued by:

Idaho Counties Risk Management Program

3100 Vista Avenue, Suite 300, Boise, ID 83705

Phone: (208) 336-3100 ~ Fax: (208) 336-2100

www.icrmp.org



**JOINT POWERS SUBSCRIBER
AGREEMENT**

APPROVED BY BOARD OF TRUSTEES
FOR USE AFTER FEBRUARY 2, 2015

JOINT POWERS SUBSCRIBER AGREEMENT

Idaho Counties Risk Management Program, Underwriters

THIS AGREEMENT is entered into pursuant to the provisions of Idaho Code, Sections 67-2326 through 67-2333, relating to the joint exercise of powers among political subdivisions of the State of Idaho, by political subdivisions of the state of Idaho as defined by the Idaho Tort Claims Act, as subscribers to counterparts of this Agreement, for the purpose of operating a separate legal entity to be known and designated as the Idaho Counties Risk Management Program, Underwriters, hereinafter referred to as "ICRMP". At the time of making of this Agreement, ICRMP is considered by the Idaho Department of Insurance to be a reciprocal insurer organized pursuant to provisions of Idaho Code, Title 41, Chapter 29.

It is AGREED among the MEMBERS of ICRMP all of which have accepted this Agreement or to a prior counterpart, that by virtue of accepting the terms of this version of the Joint Powers Subscriber Agreement, by approving a prior counterpart and subsequently renewing participation after changes to a prior counterpart have been implemented by the Board of Trustees or by paying a Member contribution as billed, as follows:

WHEREAS, POLITICAL SUBDIVISIONS of the State of Idaho have the authority to purchase liability insurance for themselves and their employees pursuant to Idaho Code §6-923 and to contract for property and other insurance coverage as they deem necessary or proper pursuant to Idaho Code §67-2328; and

WHEREAS, it is to the mutual benefit of POLITICAL SUBDIVISIONS to join together to establish the legal entity created by this Joint Powers Agreement (JPA) to accomplish the purposes hereinafter set forth; and

WHEREAS, the MEMBERS have determined that there is a need for POLITICAL SUBDIVISIONS to jointly create an insurance and risk management program; and

WHEREAS, the laws of the State of Idaho authorize the formation of what has been classified as a reciprocal insurer by POLITICAL SUBDIVISIONS without abrogating any privileges or immunities accorded to them by law;

NOW, THEREFORE, BE IT AGREED, in consideration of the mutual advantages, obligations and benefits to each POLITICAL SUBDIVISION and the mutual covenants herein contained, the MEMBERS of ICRMP, with the consent and concurrence of the subscribing POLITICAL SUBDIVISION, agree as follows:

ARTICLE I. DEFINITIONS.

As used in this Agreement, the following terms shall have the respective meanings hereinafter set forth:

- (1) **ICRMP (PROGRAM).** The Idaho Counties Risk Management Program, Underwriters, a pooled insurance and risk management program established pursuant to the statutes of this state by this Joint Powers Subscriber Agreement and licensed as a reciprocal insurer pursuant to Idaho Code Title 41, Chapter 29.
- (2) **BOARD.** The Board of Trustees of ICRMP, which shall serve as the Subscribers' Advisory Committee, as such is required by Idaho Code Title 41, Chapter 29.
- (3) **MEMBERS.** The POLITICAL SUBDIVISIONS, as defined in Section 6-902(2), Idaho Code, which qualify and agree to the terms of this JPA, as such may be revised upon approval by the Board of Trustees from time to time.
- (4) **JOINT POWERS SUBSCRIBER AGREEMENT (JPA).** This Agreement, wherein political subdivisions agree to participate in the insurance and risk management offerings of ICRMP as set forth by the BOARD.

ARTICLE II. ESTABLISHMENT, MAINTENANCE AND PARTICIPATION IN ICRMP.

The Idaho Counties Risk Management Program, Underwriters, a separate Joint Powers Entity, was created through a JPA by numerous counties of the state of Idaho with an initial effective date of November 29, 1985. The JPA has been subsequently amended numerous times during the history of the PROGRAM. This JPA is intended to continue the organization and operation of ICRMP into future years upon the foundation laid by prior joint powers and subscribers' agreements. The public entity named on the concluding page of this JPA, a political subdivision of the State of Idaho, upon approval of payment of an allocated MEMBER contribution will become a MEMBER of the Idaho Counties Risk Management Program, Underwriters (ICRMP) with all rights and duties associated therewith. This Agreement supersedes all prior ICRMP JPAs and will become effective for all MEMBERS on the date identified in the footer of this version of the JPA upon acceptance of the tender of continued participation offered during the annual renewal process. Changes to the JPA are deemed accepted either by express action by the governing board or by renewing participation in the PROGRAM by paying the allocated MEMBER contribution for a succeeding year. The rights and privileges of any withdrawing Member will be governed by the JPA in effect for the final year of any Member's participation.

ARTICLE III. PURPOSES AND DURATION.

- (1) The purposes of ICRMP are to provide an insurance and risk management program and to assist MEMBERS to prevent and reduce losses to MEMBERS' property and injuries or harm to persons or property which might result in claims being made against MEMBERS, their employees, officers, or agents, whether appointed, employed, elected or serving as recognized volunteers.
- (2) It is the intent of the MEMBERS of ICRMP to create a separate entity of unlimited duration that will administer an insurance and risk management program and use funds contributed by MEMBERS to defend and indemnify, in accordance with this Agreement and the issued policy(ies) of insurance, any ICRMP MEMBER against stated liability or loss, to the limits of the insurance policy issued by or procured through ICRMP. It is also the intent of the MEMBERS to have ICRMP provide continuing stability and availability of needed insurance coverage at reasonable costs and to provide education and training to ICRMP MEMBERS in the interest of meeting the challenges of local governance. All income and assets of ICRMP shall be at all times dedicated to the ultimate benefit of its MEMBERS in matters of risk and insurance, inclusive of services and issues not directly addressed by ICRMP-issued policies.
- (3) It is the intent of the MEMBERS of ICRMP that the PROGRAM serve as a vehicle for cooperative undertakings for all program MEMBERS, or selected groups thereof, to share the costs of certain required or desired insurance or risk-related obligations which the MEMBERS desire to study or implement. In implementation of any such programs, the participating MEMBERS shall bear the allocated costs of carrying out the purposes of the program(s).

Participation in ICRMP shall be comprised of those POLITICAL SUBDIVISIONS that have approved this Agreement or one of its prior iterations or that have agreed to pay the required MEMBER contributions. MEMBERS agree to the admission of future MEMBERS in accordance with provisions of the JPA and acknowledge that they shall have no right to object to the addition of such MEMBERS provided they are admitted in accordance with the terms hereof. This Agreement shall be automatically renewed, annually or periodically, consistent with BOARD-established policy terms, unless the provisions for withdrawal, expulsion or termination are applied in compliance with the terms of this agreement or adopted BOARD policy. No insurance will be provided unless the allocated MEMBER contribution is paid when due. The BOARD, or the Executive Director, as delegated by the BOARD, is authorized to attach conditions to entry into ICRMP membership or to maintenance of membership in ICRMP in the interest of protecting the shared interests of participating MEMBERS. Such conditions may include contribution surcharges, coverage limitations, reductions of limits or other methods designed to recognize risk exposure or to protect the shared interests of other PROGRAM participants.

ARTICLE IV. MANNER OF FINANCING.

Financial operations of ICRMP shall be committed to the sound discretion of the BOARD with the primary intent being the long-term solvency of the PROGRAM. Financial contributions from MEMBERS shall be determined by the BOARD of ICRMP working through the Executive Director, considering, among other factors, risk exposure, loss experience, net operating expenditures, property ownership, costs of administering claims, costs of providing risk management services, participation in risk reduction programs, conduct by officials and other appropriate or necessary costs of program administration .

ARTICLE V. NON-WAIVER OF GOVERNMENTAL OR OTHER IMMUNITY.

MEMBERS of ICRMP, by participation in this PROGRAM, do not waive any immunities or limitations of liability provided to political subdivisions or their employees by any law of this state or nation.

ARTICLE VI. ICRMP POWERS AND DUTIES.

The powers of ICRMP to perform and accomplish the purposes set forth above shall, within budgetary limits and procedures set forth in this Agreement and as otherwise established by the BOARD, be to:

- (a) Employ agents, employees and independent contractors.
- (b) Purchase, sell, encumber and lease real property; to incur obligations on behalf of the PROGRAM to the extent permitted by Idaho statutes and the Idaho Constitution; and to purchase, sell, or lease equipment, machinery, and personal property.
- (c) Invest funds as allowed by Idaho statutes.
- (d) Carry out educational and other programs relating to risk management, including the prerogative to offer discounts or credits upon demonstrating compliance with standards for BOARD-approved risk reduction methods or plans.
- (e) Create, collect funds for, and administer an insurance and risk management program.
- (f) Purchase excess insurance and/or reinsurance to supplement the self-insured retention.
- (g) Establish reasonable and necessary loss reduction and prevention recommendation procedures to be followed by the MEMBERS.
- (h) Provide insurance-related services, risk management, loss control, underwriting and claims adjustment or to contract for such services, including the defense and settlement of claims, subject to specific limitations and/or restrictions, which may be imposed and adopted by the BOARD.
- (i) Carry out such other activities as are necessarily implied or required to carry out the purposes of ICRMP specified in Article III of this Agreement, even though such undertakings might not be known at the time of entering into this Agreement, or might not be included within the specific powers enumerated in this Article.
- (j) Sue and be sued.
- (k) Enter into contracts.

- (l) Reimburse BOARD members for reasonable and approved expenses incurred in attending to BOARD responsibilities.
- (m) Provide security, insurance or bonds regarding the official responsibilities of all officers, BOARD members and employees of ICRMP.
- (n) Borrow funds with approval by the BOARD as necessary for current operating purposes, so long as repayment is achieved before the conclusion of the subsequent fiscal year.
- (o) Take appropriate steps to protect pool resources from careless or reckless conduct by ICRMP MEMBERS or by individual public officials of Member entities.
- (p) Establish terms and conditions of initial or continued Membership in the ICRMP Program.

ARTICLE VII. PARTICIPATION.

Any MEMBER of ICRMP shall be permitted to participate in the activities of ICRMP as authorized by this Agreement or pursuant to decisions by the Board of Trustees. MEMBER participation in ICRMP activities concerning the respective rights and responsibilities of any particular MEMBER shall require the approval of the governing board of that MEMBER.

ARTICLE VIII. MEMBERS' RIGHTS AND OBLIGATIONS - DISPUTE RESOLUTION PROCEDURES.

- (1) The individual MEMBERS of ICRMP, acting through their respective governing boards, shall have the right to:
 - (a) Petition the BOARD to be heard regarding any aspect of the PROGRAM operation in accordance with internal dispute resolution procedures approved by the BOARD or as otherwise determined in accordance with procedural guidelines authorized by the BOARD or the Chairman of the BOARD as circumstances warrant.
 - (b) Withdraw from PROGRAM participation at any time authorized by this Agreement. MEMBERS recognize that the PROGRAM is managed for long-term participation and that agreements that support PROGRAM operation are of one-year or longer duration. Consequently, early withdrawal from the PROGRAM during the course of a policy year may be subject to additional financial obligation for the withdrawing MEMBER as determined by the BOARD.
 - (c) After renewing its membership in ICRMP at least once, to nominate, recommend or vote concerning selection of a representative to serve on the BOARD of ICRMP as provided by this JPA.

(2) The obligations of MEMBERS of ICRMP shall be as follows:

- (a) To pay promptly all MEMBER contributions to ICRMP at such times and in such amounts as shall be established by the BOARD pursuant to this Agreement. Any delinquent payments may incur interest, penalties or other financial consequences as determined by resolution of the ICRMP Board of Trustees. Insurance coverage and other services will not continue for MEMBERS that are delinquent in payment of contribution amounts according to the terms of this Agreement and any related resolution approved by the Board of Trustees. Notice of termination of coverage or of services, for non-payment or otherwise, will be provided in writing in compliance with Idaho Department of Insurance requirements.
- (b) To allow the PROGRAM and its agents, officers and employees reasonable access to all premises of the MEMBER and all records, including but not limited to financial and administrative records, as reasonably required for the administration of ICRMP and the effective handling of claims threatened or brought against MEMBERS.
- (c) To cooperate fully with the PROGRAM'S attorneys, claims adjusters and any other agent, employee, or officer of ICRMP in activities relating to the purposes and powers of ICRMP.
- (d) To make good faith efforts to follow the safety, loss reduction and prevention recommendations expressed by the PROGRAM and to cooperate in risk reduction strategies proposed or required by the PROGRAM.
- (e) To report to ICRMP immediately all incidents or occurrences that could reasonably be expected to result in ICRMP being required to consider a claim against the MEMBER, its agents, officers, or employees, or for losses to MEMBER'S property within the scope of coverage undertaken by ICRMP.
- (f) To report to ICRMP as soon as reasonably possible, by way of the public entity's insurance agent or otherwise, in accordance with the issued Policy of Insurance and related guidelines, the addition of new programs, facilities and equipment or the significant reduction or expansion of existing programs, facilities and equipment or other acts that could cause material changes in the MEMBER'S risk of property or liability-related loss exposure.
- (g) To provide ICRMP periodically and consistent with Policy terms, but in no instance less frequently than annually, in accordance with the issued Policy of Insurance, with information on the value of buildings and contents and other real and personal properties. Each MEMBER is obliged to cooperate with the PROGRAM *via* its independent insurance agent.

(h) To utilize BOARD-approved dispute resolution procedures regarding any contest or disagreement regarding a provision or scope of coverage pursuant to the insurance program/policy or any other aspect of PROGRAM operation, prior to addressing any such disagreement to a state or Federal administrative agency or prior to initiating legal action against ICRMP. MEMBERS expressly agree to follow the internal dispute resolution procedures adopted by the BOARD before contesting administrative determinations, coverage or claims non- payment issues in a court of law or before a regulatory agency. Such procedures require MEMBERS to thoroughly disclose any bases for such disagreement in writing to the BOARD prior to being heard in the process of resolving any such dispute. MEMBER expressly agrees that failure to exhaust the internal dispute resolution procedures established by the BOARD constitutes a material breach of this JPA. MEMBER further agrees not to initiate legal action against the PROGRAM or initiate contested procedures before any state or Federal regulatory agency regarding any dispute with the PROGRAM until said dispute resolution procedure has reached its conclusion before the BOARD within a reasonable timeframe. MEMBER agrees that ICRMP may enforce this provision by seeking the remedy of specific performance in a court of competent jurisdiction. A MEMBER that pursues a remedy in court or before a regulatory agency agrees to reimburse the PROGRAM its reasonable costs and attorney fees incurred in defense of any such suit or administrative proceeding if the matter has not first been brought to the BOARD pursuant to this dispute resolution procedure. The restrictions contained in this subsection may be waived by mutual agreement of the PROGRAM and the MEMBER.

(3) The basic elements of the dispute resolution procedure within ICRMP shall include the following:

(a) Filing a written statement by the MEMBER stating the specific basis for disagreement with a decision by the Executive Director or BOARD regarding aspects of PROGRAM operation or contribution requirements, provision of coverage or non-payment of a claim for money damages. Such filing shall be followed promptly by a conference with the Executive Director, in person or by telephone, to attempt to resolve the stated differences. The Executive Director shall thereafter respond to the MEMBER in writing not more than ten (10) business days after the conference. Such written response shall set forth the basis of the Executive Director's decision concerning the contested matter. If the matter contested involves a decision originally made by the BOARD, the request for BOARD consideration can be routed directly to the BOARD if the Executive Director lacks authority to revise a BOARD-established policy, practice or result.

(b) Following receipt of the Executive Director's written response, MEMBER may appeal the determination of the Executive Director to the BOARD. Any such appeal shall be made in writing setting forth the specific basis for the

appeal and the particular reasons for the disagreement with the determination of the Executive Director. When an appeal is received at least fourteen (14) days prior to a BOARD meeting, it will be included on the next BOARD agenda. If an appeal is not received at a time that allows it to be timely placed upon the agenda of the next BOARD meeting, the MEMBER and Executive Director, working in consultation with the Chairman of the BOARD, shall determine whether the matter is of such importance and urgency that it requires the call of a special BOARD meeting or whether it can be addressed at the next regularly scheduled BOARD meeting without irreparably harming the MEMBER. If a MEMBER insists upon the call of a special meeting by formal action of its governing board, a special meeting of the BOARD shall be called to hear the appeal.

- (c) The BOARD shall hear oral presentations, not in excess of one hour each, by the MEMBER and the Executive Director, or those designated by the Executive Director, should either or both desire. After hearing from both parties, the BOARD shall decide the controversy and shall tender its decision in writing within thirty (30) days. In doing so the BOARD may consult independently, or through the Executive Director, with legal advisers and/or consultants. The decision of the BOARD shall be final, unless reconsideration is requested by the MEMBER and approved for reconsideration by the BOARD. Until a final decision is made pursuant to the procedures set forth in this Article, no MEMBER may initiate or institute legal action against ICRMP or its officers, employees or agents arising out of the performance of this Agreement or the contract of insurance issued pursuant to this Agreement. Nor shall a contested matter be initiated by a MEMBER before a state or federal administrative agency without completing the dispute resolution procedure set forth herein.
- (d) The BOARD reserves the right to vary the foregoing procedures in a mutually agreeable manner, as necessary to accommodate the interests of ICRMP, its MEMBERS, or others with an interest in the just resolution of differences regarding PROGRAM operation.

ARTICLE IX. MEMBER CONTRIBUTIONS.

The BOARD of ICRMP shall institute methods to establish annual or periodic contribution amounts for MEMBERS. The PROGRAM may change contribution amounts charged to any MEMBER from year to year to reflect changes in PROGRAM operating costs, changes in risk resulting from operational changes, changes in property values or ownership, reevaluation of operating risks MEMBER conduct concerning exposures or risks or refusal to participate in or willful violation of safety or loss prevention programs or for other reasons established by the BOARD. Conversely, the PROGRAM may offer contribution amount discounts for any MEMBER that faithfully participates in loss prevention and safety programs or for other reasons established by the PROGRAM. Each MEMBER'S contribution amount shall

be calculated in accordance with rate determination methods approved by the BOARD for any Policy Year, unless additional coverage is requested by the MEMBER. While the BOARD's rate determination methods must have the objective for each MEMBER's contribution to not be inadequate, excessive or unfairly discriminatory, relative to the assessable risk of each MEMBER and the PROGRAM, MEMBERS acknowledge that rate-setting involves risk and exposure assumptions which are not purely formulaic and which rely on the professional judgment of the BOARD and BOARD's advisors. No MEMBER may be further assessed during a Policy Year unless in response to a material change in property or activities not disclosed or addressed at the time of annual renewal. Additional contribution amount may be charged when changes are made to covered property or activities during the course of a year. The PROGRAM reserves the right to condition continued participation by any MEMBER upon compliance with specific performance requirements, payment of modified deductible amounts and such other measures as the PROGRAM deems necessary or appropriate. The PROGRAM also reserves, in compliance with Article XVIII, the right to discontinue membership or diminish coverage or limits or increase the self-insured responsibility of any MEMBER that does not cooperate with PROGRAM goals, objectives, or requirements or that acts without regard to consequences concerning matters that affect ICRMP and its MEMBERS.

ARTICLE X. BOARD OF TRUSTEES – ELECTION AND REPRESENTATION.

The BOARD of Trustees shall be comprised of nine (9) elected public officials, upon the initial effective date of this iteration of the JPA, six (6) of whom shall be county commissioners and three (3) who shall hold elective office in other POLITICAL SUBDIVISIONS. The electoral/appointive boundaries for designated BOARD members shall be organized as follows:

County District I: Counties of Boundary, Bonner, Kootenai, Benewah and Shoshone.

County District II: Counties of Latah, Clearwater, Nez Perce, Lewis and Idaho.

County District III: Counties of Adams, Valley, Washington, Payette, Gem, Boise, Canyon, Ada, Elmore and Owyhee.

County District IV: Counties of Camas, Blaine, Gooding, Lincoln, Jerome, Minidoka, Twin Falls and Cassia.

County District V: Counties of Bingham, Power, Bannock, Caribou, Oneida, Franklin and Bear Lake.

County District VI: Counties of Lemhi, Custer, Clark, Fremont, Butte, Jefferson, Madison, Teton and Bonneville

Region I: Elected official of a city from within Districts I, II, and III elected by all Member cities in the Region .

Region II: Elected official of a city from within Districts IV, V and VI elected by Member cities in the Region.

Special District Member: Elected official of any MEMBER other than a county or city, selected by a vote of the Board, chosen from nominees submitted by non-county or non-city MEMBERS.

Each member of the BOARD shall be either a commissioner elected from a MEMBER County, an elected official of a MEMBER city or other POLITICAL SUBDIVISION, and shall serve for a period of two (2) years, or until a successor is elected or appointed. Four (4)

members of the BOARD (even-numbered County Districts and the Region II seat) shall be elected for two (2) year terms in the final months of odd-numbered years, while another five (5) members of the BOARD (odd-numbered County Districts and the Region I seat plus the Special District Member) shall be elected/appointed for two (2) year terms in even-numbered years. For purposes of this Agreement, a "Board Seat" shall be defined as the position on the ICRMP Board of Trustees designated for and occupied by the representative duly elected or appointed from a District, Region or statewide, respectively, as outlined in this Section. The Executive Director shall administer the election process in order to allow election results to be canvassed by the BOARD during its December meeting. The respective boards of county commissioners of each MEMBER county may cast a ballot for their District member of the BOARD; governing boards of cities may vote for regional City representatives and Special District Member candidates may be nominated by governing boards of Member Special Districts. Valid ballots must be received by ICRMP at a time and place specified by the Executive Director prior to the BOARD's final meeting each calendar year. Each member of the BOARD shall serve from the date of the first BOARD meeting in the year succeeding his election/appointment through the conclusion of his/her term when a succeeding BOARD member is seated or for another term if the BOARD member is re-elected/reappointed.

Article XI. REMOVAL OF BOARD MEMBER

At any time during the course of service of an elected BOARD member such member may be removed by the PROGRAM MEMBERS that elected such BOARD member by either of two (2) means. The first method by which an elected BOARD member's continued service may be submitted to his constituent electors is by receipt of a petition of no confidence approved by the respective governing boards of MEMBER entities equal to at least one-half (1/2) of the number of votes received by the BOARD member when the BOARD member was most recently elected to the BOARD. Any such petition shall succinctly set forth the reasons of misconduct, personal behavior, wrongdoing, failure to exercise diligence or failed representation that justifies a no-confidence/removal election.

The second alternative to refer a BOARD member's continued service to his constituent electors would be a no-confidence declaration by members of the ICRMP BOARD. By majority vote of no confidence, exclusive of the BOARD member in question, the BOARD may choose to submit the question of continued service by an elected BOARD member to the BOARD member's constituent electors, stating in any motion to proceed with such election the express reasons therefor. Any BOARD member appointed to fill the remainder of an elected member's term shall be treated as an elected BOARD member.

In the event of receipt of a qualifying no-confidence petition, or following a no-confidence vote by the ICRMP BOARD, the question to be presented to a BOARD member's constituent electors shall be whether the identified BOARD member should continue to serve on the BOARD. The reasons for no-confidence stated in the petition from dissatisfied MEMBERS or expressed in the motion by BOARD shall be included in election materials sent to constituent electors along with a statement prepared by the BOARD member in response. Neither message shall exceed three hundred (300) words. Voting in any such election shall be open for at least

twenty-one (21) days from the date ballots are first mailed. The Executive Director shall establish a time and date-certain by which all ballots must be received. Votes shall be tallied by the Executive Director or his designee(s). A majority of lawful votes cast shall determine the outcome. If a no-confidence vote results in removal of BOARD member, the seat may be refilled by BOARD appointment until the next election wherein a replacement can be elected to fill a new term or the remainder of the prior term, whichever is applicable.

Any BOARD Member holding an appointive or *ex-officio* non-voting position may be removed by majority vote of the BOARD for reasons of misconduct, personal behavior, wrongdoing or failure to exercise diligence after providing the BOARD Member a written statement of concerns and allowing the BOARD Member an opportunity to be heard by the BOARD. In the circumstances of such proceedings, a BOARD Member facing possible removal shall be entitled to written notice of the concerns no less than seven (7) calendar days prior to BOARD action and the hearing opportunity for the subject BOARD Member shall be no less than one (1) hour in duration.

ARTICLE XII. POWERS AND DUTIES OF THE BOARD OF TRUSTEES.

The BOARD shall have the following powers and duties to:

- (1) Annually elect a chairman and vice-chairman. Each officer shall serve until his or her successor is elected.
- (2) Admit or expel MEMBERS, or to condition continued participation in the PROGRAM, in accordance with this Agreement.
- (3) Establish procedures for determining contribution amounts and authorizing payment procedures for MEMBERS.
- (4) Establish the insurance and risk management program design.
- (5) Provide for selection of all personnel and contractors necessary for the administration of ICRMP, including the appointment of an Executive Director to supervise the business of the PROGRAM and carry out other functions delegated by the BOARD.
- (6) Establish a schedule for BOARD meetings.
- (7) Exercise all powers of ICRMP, except powers reserved to the MEMBERS.
- (8) Prepare, adopt and oversee ICRMP's budget.
- (9) Receive reports concerning PROGRAM activities and to make reports to the MEMBERS.
- (10) Provide for underwriting, claims and loss control procedures.
- (11) Provide for the investment and disbursement of funds.
- (12) Enact resolutions establishing procedures governing its own conduct and the powers and duties of its officers, not inconsistent with this Agreement and applicable provisions of law.
- (13) Provide to MEMBERS an annual report of operations and financial affairs.
- (14) Form committees and advisory panels; and to provide other services as needed by ICRMP. The BOARD shall determine the method of appointment and terms of members of committees and advisory panels.

- (15) Submit to MEMBERS an amended JPA upon adoption and at the date of periodic renewal, or otherwise, for re-adoption, express acceptance or payment of a member contribution by MEMBERS.
- (16) Dissolve ICRMP when BOARD action is accompanied by a two-thirds (2/3) vote of the entire then-current MEMBERSHIP, provided that a notice of intent to dissolve ICRMP shall be given to the Director of the Department of Insurance of the State of Idaho at least ninety (90) days prior to the proposed effective date. Like notice of such intent shall be provided to all MEMBERS at least thirty (30) days before any such vote regarding dissolution in compliance with title 41, Idaho Code and other applicable statutes. Assets remaining after discharge of its indebtedness and policy obligations, the return of any surplus made as provided in Idaho Code §41-2916, and the return of any unused premium, savings or credits then standing on subscribers' accounts, shall be distributed to its subscribers who were such within the twelve (12) months prior to the last termination of its certificate of authority, according to such reasonable formula as the director may approve pursuant to Idaho Code §41-2928.
- (17) Appoint or remove appointed or non-voting *ex-officio* members of the BOARD
- (18) Do or delegate all acts necessary and proper for the implementation of this Agreement.

ARTICLE XIII. ESTABLISHMENT OF LOSS PAYING FUND.

The PROGRAM shall endeavor to maintain available funds in amounts the BOARD deems reasonably sufficient to annually provide the resources necessary to fund ICRMP's general and administrative expenses, any reinsurance or excess insurance requirements, to pay the current year's claims and claims expenses and to sustain the financial stability of the PROGRAM, in addition to funds necessary to meet ICRMP's obligation to satisfy the requirements of any regulatory authority.

ARTICLE XIV. SCOPE OF COVERAGE.

- (1) ICRMP shall provide policy protection to each MEMBER as provided in the MEMBER'S policy of insurance. MEMBER acknowledges that the policy of insurance transfers risk of loss from the MEMBER to ICRMP subject to the terms, conditions and exclusions addressed by the policy. MEMBER acknowledges that not all risks are insurable and that any excluded risks are not transferred pursuant to this Agreement.
- (2) In the event that a claim or a series of claims exceeds the amount of coverage provided by the MEMBER's Policy, payment of valid claims shall become the sole and separate obligation of the individual MEMBER or MEMBERS against whom the claim was made and perfected by litigation or settlement. No Subscriber shall be entitled to a contribution from other MEMBERS beyond the annual amount obligated by this Joint Power Subscribers Agreement and the policy of insurance which complements it.

ARTICLE XV. MEETINGS OF THE BOARD OF TRUSTEES.

- (1) The BOARD may set a time and place for meetings in accordance with applicable law. All provisions of law applicable to public meetings shall be observed.
- (2) A majority of seated trustees shall constitute a quorum to do business. All formal acts of the BOARD shall require a majority vote of the trustees present and voting, unless otherwise required by law.
- (3) Because of the distance that separates the Trustees, the BOARD may conduct official business by telephone/video conference call. When a conference call meeting is convened the base of such meeting will normally be the ICRMP Building in Boise, Idaho. An alternative base meeting location may be designated by the Executive Director when necessary to effectively conduct BOARD business. At the base location a speaker phone shall be provided in order to allow the public to hear the discussion carried on by the BOARD. Executive session and notice provisions of the Open Meeting Law shall apply when appropriate or required.

ARTICLE XVI. LIABILITY OF BOARD OF TRUSTEES OR OFFICERS.

The trustees or officers of ICRMP should use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties hereunder. They shall not be personally liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care so long as the actions or omissions complained of shall have taken place within the course and scope of their official duties. No trustee shall be personally liable for any action taken or omitted by any other trustee. The assets of ICRMP may be used to defend and indemnify any trustee, officer, agent or employee for actions taken by each such person in good faith within the scope of his or her authority for ICRMP as public officials in the state of Idaho. ICRMP may purchase insurance providing coverage for trustees, officers and employees.

ARTICLE XVII. WITHDRAWAL FROM MEMBERSHIP.

Any MEMBER may withdraw from ICRMP after the MEMBER'S initial one (1) year term by giving notice to the Executive Director, in writing, of its desire to withdraw. Any MEMBER may withdraw from ICRMP within thirty (30) days after the date that the PROGRAM gives notice in writing of an amendment to this Agreement or its accompanying policy of insurance by tendering to the Executive Director written notice of its intent to withdraw. The continuing rights of any withdrawing MEMBER shall be as set forth in the most recent JPA. A voluntarily withdrawing MEMBER shall be deemed to have forfeited any claim of right or equity to any portion of liquidated surplus or to any credit or dividend should any be declared by the Board of Trustees.

ARTICLE XVIII. EXPULSION OF MEMBERS - CONDITIONS OF CONTINUED PARTICIPATION.

- (1) Any MEMBER may be expelled at the initiation of the Executive Director or the BOARD at any time during a policy year for one or more of the following reasons:
 - (a) Failure to make any payments due to ICRMP.
 - (b) Willful failure to undertake or continue loss reduction or loss prevention recommendations by ICRMP.
 - (c) Failure to allow ICRMP reasonable access to all facilities and records of the MEMBER necessary for proper administration of ICRMP.
 - (d) Failure to fully cooperate with ICRMP's attorneys, claim adjusters or other agents, employees, or officers of ICRMP.
 - (e) Failure to carry out any obligation of a MEMBER which impairs the ability of ICRMP to carry out its purpose or powers.
 - (f) Exhibiting reckless behavior which causes claims which could have been avoided by prudent or responsible action.

- (2) No MEMBER expulsion shall be effective until at least thirty (30) days after notice from the Executive Director of the alleged failure of performance, however the notice of expulsion from the Executive Director may include exclusions from, or limitations on, coverage related to foreseeable willful actions addressing conduct of the MEMBER. Any such exclusions or limitations shall be effective immediately unless subsequently rescinded by BOARD action or modified by mutual agreement. Notice to a MEMBER shall state whether a cure is believed to be possible. The MEMBER may request, in writing, a hearing before the BOARD, either by telephone or in person, within fourteen (14) days of the notice provided by the Executive Director. MEMBERS must act through their governing board. Notices of expulsion or extraordinary exclusions or limitations of coverage are subject to the Dispute Resolution Procedure set forth in Article VIII. If a decision to expel, exclude or limit is affirmed after hearing, such date of expulsion or limitation shall relate back to the date of initial decision to expel by the Executive Director or the BOARD from which the notice of intent to expel derives. The rights of any expelled MEMBER shall be as set forth in this Agreement or upon such other terms and conditions as the BOARD may negotiate with the expelled MEMBER. Nothing in any policy of insurance shall contravene provisions of this JPA respecting separation from the PROGRAM.

- (3) Any MEMBER separating from ICRMP (withdrawing or expelled) shall not be entitled to any reimbursement of contribution amounts that have been paid unless otherwise required by provisions of applicable law. All claims relating to events occurring after the date of separation from ICRMP shall become the sole responsibility of the separated Subscriber. With respect to any Claims Made coverage provided to a MEMBER, any claims occurring or reported after the date of separation from ICRMP shall become the sole responsibility of the separated MEMBER. Any MEMBER expelled from the PROGRAM by action of the Board of Trustees shall have any entitlement to liquidation value provided pursuant to this JPA

reduced by the amount of ultimate net loss that exceeds the MEMBER's contributions for the period of liquidation rights established by the terms of the JPA then in effect. Such entitlement to liquidation value shall be payable only upon actual liquidation of the PROGRAM.

- (4) As an alternative to expulsion the BOARD or Executive Director may, at any time, condition continued participation in the PROGRAM upon compliance with specific terms and conditions established by agreement between the MEMBER and ICRMP. Conditions may include consultation requirements, increased deductible amounts, increased MEMBER contributions, restriction of coverage, diminishment of coverage limits and such other limitations as the BOARD may deem reasonable to protect the resources of ICRMP as allowed by applicable law.

ARTICLE XIX. BINDING CONTRACTUAL OBLIGATION.

This document shall constitute a JPA, a binding contract, among those POLITICAL SUBDIVISIONS that are MEMBERS of ICRMP. The terms of this Agreement may be enforced in court by ICRMP itself or by any of its MEMBERS, as respects its interests, subject to the terms and conditions of applicable laws and this Agreement. The consideration for the duties herewith imposed upon the MEMBERS to take certain actions and to refrain from certain other actions is based upon the mutual promises and agreements of the MEMBERS set forth herein and the Member contributions paid by Members. This Agreement shall be deemed approved by each MEMBER by payment of the required Member contribution or by subsequent renewal pursuant to procedures specified by law, the Executive Director or the BOARD. MEMBER asserts that it has complied with relevant laws and that it waives its ability to object to the binding nature of this Agreement by virtue of informalities in its approval. Except to the extent of the financial contributions to ICRMP agreed to herein, or such additional obligations as may come about through amendments to this Agreement, no MEMBER agrees or contracts herein to be held responsible for any claims in tort or contract made against any other MEMBER. The contracting parties intend in the creation of ICRMP to establish an organization for joint risk management only within the scope herein set out, and have not herein created as between MEMBER and MEMBER any relationship of general surety or indemnitor, nor by participating herein does any MEMBER otherwise assume responsibility for the debts of or claims against any other MEMBER.

ARTICLE XX. DISTRIBUTION OF PROPERTY, FUNDS AND SUPPLIES UPON DISSOLUTION OF ICRMP.

In the event of termination of this JPA such that ICRMP is dissolved, all unused consumable supplies, non-consumable supplies or other property or assets acquired by ICRMP shall be liquidated in a manner permissible by law, and the proceeds of such liquidation shall be disbursed to the then-current MEMBERS at a rate proportionate to each MEMBER'S *pro rata* share of the cumulative Member contributions paid to ICRMP for the most recent five (5) fiscal years. Said determination of net asset distribution shall be made in good faith by the BOARD subject to application of the business judgment rule.

ARTICLE XXI. SEVERABILITY.

In the event that any Article, provision, clause or other part of this Agreement should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability with respect to other Articles, provisions, clauses, applications or occurrences, and this Agreement is expressly declared to be severable.

ARTICLE XXII. POWER OF ATTORNEY - EXPENSES AND DUTIES.

- (1) To the extent required by Idaho Code Title 41, Chapter 29, and not inconsistent with applicable constitutional and statutory obligations and prerogatives, MEMBER hereby appoints Idaho Counties Risk Management Program, Underwriters (ICRMP), as its Attorney-in-Fact empowered to take all actions and execute all documents which are necessary or appropriate in carrying on the business of insurance through ICRMP on behalf of MEMBER. MEMBER agrees that the BOARD of ICRMP may delegate powers to an Executive Director in accordance with this JPA.
- (2) The Executive Director appointed by the BOARD is hereby empowered by the undersigned to accept service of process on behalf of ICRMP. The Director of the Department of Insurance of the State of Idaho is also authorized to receive service of process in actions against ICRMP upon contracts of insurance provided to Subscribers of ICRMP. Such authorization does not supersede the procedural requirements of this Agreement. The general services to be performed by the Executive Director shall include: (a) issuing, underwriting and servicing policies of insurance; (b) contracting with agents for sale and servicing of policies of insurance; (c) executing treaties of reinsurance or contracts of excess insurance; (d) providing risk management services and administering programs to diminish claims for damages and (e) supervising the investment policy of ICRMP. The Executive Director's obligations and liability shall be limited by the terms and conditions of ICRMP's JPA and by the Idaho Tort Claims Act.
- (3) The general items of expense to be paid by ICRMP shall include, but not be limited to: (a) losses and claims payments; (b) allocable claims expense; (c) governmental charges, license fees, and lawful taxes; (d) expenses incurred in auditing ICRMP's books and records; (e) contribution amount collection costs; (f) BOARD expenses; (g) premiums on reinsurance and excess insurance; (h) fees of investment counsel and direct investment expense; (i) salaries and expenses of officers and employees of ICRMP; (j) disbursement of dividends; (k) special expenses authorized by the Board of Trustees of ICRMP; (l) broker and agent commissions; (m) indemnity insurance premiums; (n) home and branch office expense; and (o) actuarial, auditing, legal, risk management and loss prevention expenses.
- (4) The Power of Attorney conveyed herein shall expire upon termination of all obligations of ICRMP. The policies of insurance issued by ICRMP are conditional upon payment of MEMBER contributions to ICRMP. The liability of each

MEMBER for the obligations of ICRMP shall be an individual, several and proportionate liability and not a joint liability. The liability of each MEMBER shall be limited as stated in this JPA provided, however, that in no event shall any MEMBER be required to contribute more than the amount authorized by applicable state statutes and constitutional provisions pursuant to which ICRMP is established.

ARTICLE XXIII. MISCELLANEOUS PROVISIONS - NOTICE.

- (1) The provisions of this Agreement shall be interpreted pursuant to the laws of the State of Idaho.
- (2) The parties hereto consent that courts in the State of Idaho shall have jurisdiction over any dispute arising under this Agreement after exhaustion of the dispute resolution procedures provided for herein. If reasonable attorney fees are incurred in enforcing provisions of this Agreement in a court of law, the prevailing party to such an action shall be entitled to reimbursement of its reasonable attorney fees.
- (3) No waiver of any breach of this Agreement or any provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any of the other provisions herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligations or acts.
- (4) In the event that any provision of this Agreement is in conflict with or is incompatible with the MEMBER'S Policy issued hereunder, the terms and conditions of the MEMBER'S Policy shall prevail and take precedence.
- (5) This Agreement may be modified or amended by a written proviso authorized by the Board. Provided, however, no such modification shall be effective retroactively, nor as to any insurance contract or coverage issued prior thereto. Said modifications may be made effective during a Policy Year only to comply with applicable laws respecting operation of ICRMP or with express consent of the MEMBER. Changes may be made to the policy of insurance issued by ICRMP at any time during the policy year in accordance with rules or statutes governing the business of insurance within the State of Idaho. If a MEMBER does not accept changes made during a policy year, its sole remedy shall be to cancel future coverage, subject to a proportionate refund of any *pro rata* MEMBER contributions already paid, less equitable commission and administrative charges.
- (6) MEMBER agrees to hold ICRMP, its employees, contractors, and/or legal counsel, harmless and without liability to MEMBER from any claims arising out of loss control or related administrative activities undertaken for Subscriber's benefit. ICRMP assumes no responsibility for the lawful operation of MEMBER'S POLITICAL SUBDIVISION. MEMBER further agrees that communications with attorneys on the ICRMP staff or retained by the PROGRAM to assist a MEMBER to

resolve or avoid claims will remain confidential pursuant to the Attorney-Client privilege and that written materials generated as a consequence of such effort to assist MEMBER shall constitute attorney work product. MEMBER further agrees that the employees, contractors and/or legal counsel of ICRMP when acting in a loss control capacity are representing ICRMP, not MEMBERS, and that information obtained in such loss control capacity may be provided to ICRMP in order to carry out the purposes of this JPA.

- (7). All notices required to be given under this Agreement shall be delivered in writing. Notices by a MEMBER to ICRMP shall be sent to ICRMP'S principal place of business. Notices to any MEMBER shall be sent to the MEMBER'S last known address. In the event that any party to this Agreement desires to change its address, notice of change of address shall be sent to the other party by United States Mail in accordance with the terms and provision of this Article. Each MEMBER of ICRMP whether by initiating membership after October 1, 2013, or by renewing membership after October 1, 2013, hereby authorizes and consents to delivery of documents between itself and ICRMP by electronic means in accordance with provisions of Idaho Code §41-1851 or its successor unless it provides written notice to ICRMP that it declines to accept delivery of documents by electronic means.
- (8) Warranty of Eligibility – Each MEMBER authorizing participation in ICRMP by approval of this Agreement and execution by an authorized official hereby warrants that it is a political subdivision of the state of Idaho as defined by the Idaho Tort Claims Act and thereby eligible to be a MEMBER of ICRMP. By such warranty each MEMBER consents to its immediate separation from ICRMP participation upon discovery that it is not a qualifying political subdivision. Each MEMBER also agrees that it will indemnify ICRMP for any loss ICRMP may suffer by virtue of the inapplicability of privileges and immunities otherwise available to political subdivisions of the state of Idaho by virtue of the mischaracterization of any MEMBER as a qualified Idaho political subdivision.
9. Procedural standards established within this JPA shall serve functions frequently fulfilled by organizational by-laws. Other procedural requirements may be established by applicable state law. Additionally, nothing contained in this JPA shall prohibit the ICRMP Board of Trustees from adopting procedural standards or guidelines for the conduct of Board business or from authorizing administrative policies to guide ICRMP's internal affairs.

ARTICLE XXIV. EXECUTION AND ATTEST.

In Witness hereof, this Agreement is executed on the ____ day of _____ 20____, by the undersigned who are duly authorized officer(s) of the Political Subdivision indicated below and by the Idaho Counties Risk Management Program, Underwriters (ICRMP), pursuant to action taken by the Governing Board of the MEMBER on the ____ day of _____ 20____ or by payment of the required Member contribution. Such payment of Member contribution, execution upon this Agreement or upon execution of a prior counterpart accompanied by continuing renewal shall constitute agreement by the POLITICAL SUBDIVISION to the terms and conditions of membership in ICRMP until proper written notice of withdrawal is provided or until a MEMBER is expelled as provided herein. An authorized signature or payment of Member contribution is required for new membership. Renewal occurs annually by issuance of a policy of insurance and payment of MEMBER CONTRIBUTION subject to the terms of the then-current JPA proffered by the ICRMP Board of Trustees in conjunction with insurance policy terms for the succeeding policy year.

POLITICAL SUBDIVISION: _____

By: _____
CHAIRMAN OF THE BOARD, MAYOR, OR OTHER
EXPRESSLY AUTHORIZED OFFICER

Title: _____

Attest/Witness: _____
CLERK OR OTHER AUTHORIZED OFFICER

ACCEPTED FOR THE IDAHO COUNTIES RISK MANAGEMENT
PROGRAM, UNDERWRITERS (ICRMP)

By: _____
EXECUTIVE DIRECTOR

August 18, 2016

TO: City of Sun Valley

RE: Terrorism Coverage for Policy Year Effective October 1, 2016

Dear Valued ICRMP Member:

Following the events of September 11, 2001, the nation's largest insurers took their case to Congress concerning their ability to withstand the financial consequences of additional terrorist acts that might take place on American soil. As a consequence, Congress enacted the Terrorism Risk Insurance Act (TRIA) that is intended to protect insured property owners by assuring that their property insurers are not overwhelmed by terrorism-driven claims. Local government risk sharing pools generally were excluded from TRIA.

Because ICRMP is regulated under Idaho law as a reciprocal insurer, federal law requires ICRMP to offer complete terrorism property coverage to its Members. This offering, which is additional to the regular coverage provided by the ICRMP Program, would require payment of an additional Member contribution, based upon the value of the property assets to be covered. An explanation is provided on the accompanying offer sheet.

You should understand that your ICRMP Member agency is under no obligation to accept the terrorism coverage that we are required to offer. In fact, the ICRMP Board of Trustees has purchased excess insurance for Members of ICRMP (as a whole) in the amount of fifty million dollars (\$50,000,000) per year. The coverage provided for all Members is available to be shared among any Members affected by acts of terrorism during a policy year. The Board believes this is a more cost-effective way of addressing this potential exposure. It is included in your regular ICRMP coverage **at no additional cost to you.**

The decision regarding terrorism coverage belongs to your governing board. Please complete the offer sheet evidencing your agency's desire to procure additional terrorism coverage and pay an additional Member contribution, or to reject it and share in the coverage procured for all ICRMP Members. In order to comply with the law, we need your answer promptly. Thank you.

Sincerely,



Rick Ferguson
Executive Director

NOTICE - OFFER OF TERRORISM COVERAGE (Required by Federal law)

NOTICE – DISCLOSURE OF ADDITIONAL PREMIUM

TO: ICRMP Member:

The Terrorism Risk Insurance Act, as extended on December 26, 2007 by the enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), is a U.S. Treasury Department program under which the federal government would share, with regulated insurance carriers, the risk of loss from terrorist attacks. The Act applies when the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, certifies that an event meets the definition of a “certified act of terrorism”. Certified acts of terrorism can also include foreign or domestic acts of terrorism, but they still must be certified as such by the Federal officers listed above.

In accordance with the Terrorism Risk Insurance Act, as extended on December 26, 2007, we are required to offer you coverage of all of the property we insure that your agency owns against any “certified act of terrorism”. Your public agency must decide whether you desire the coverage (for an additional premium) or whether you choose to reject the offer of coverage and not pay the premium. The choice belongs to the governing board.

If you choose to accept this offer of terrorism coverage, your premium will include the additional premium for terrorism as stated in this disclosure. If you choose to reject this offer, you must do so by signing the enclosed statement and returning it to your agent, Betty Urbany at (208) 726-8866 or mail directly to ICRMP at P.O. Box 15249, Boise, Idaho, 83715.

If you reject coverage under the Act, the ICRMP policy provided to your public entity will provide an alternative form of coverage of terrorism-related insurance. Rather than cover the entire value of every item of property every public entity member of ICRMP might insure, the alternative form of coverage will provide a fixed amount of coverage (50 million dollars) for the entire membership of ICRMP during any single policy year. If terrorism-caused covered losses do not exceed 50 million dollars during any single policy year, such losses will be paid in full, subject to policy terms and conditions. If total terrorism-caused losses exceed 50 million dollars in the current policy year, such losses will be paid on a *pro-rata* basis among members suffering covered terrorism-caused losses, in proportion to their covered losses expressed as a percentage of all covered losses. Coverage under this alternative process shall not require certification by the Federal officials pursuant to TRIPRA.

Named Insured: City of Sun Valley

DISCLOSURE OF PREMIUM

If you accept this offer, the premium for terrorism coverage is estimated to be an additional amount of \$11,263 over and above your proposed renewal Member contribution based on reported total insured values of \$11,263,227.

CONTINUED ON NEXT PAGE

IF YOU WISH TO REJECT COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT, AS EXTENDED ON DECEMBER 26, 2007, THE NAMED INSURED MUST APPROVE AND SIGN THE FOLLOWING STATEMENTS:

TERRORISM RISK INSURANCE ACT REJECTION OF FULL COVERAGE

We, as a Member of ICRMP, acknowledge that we have been notified as required under the Terrorism Risk Insurance Act, as extended on December 26, 2007, that as respects to the above referenced policy of insurance policy referenced above:

1. We have been offered coverage for acts of terrorism as defined in the Act;
2. We have been advised that if we accept coverage for acts of terrorism as defined in the Act, the United States Government will participate in the payment of terrorism losses insured under the Act, subject to the provisions of the Act;
3. We have been told that if we reject coverage under the Act by signing this notice, to the extent allowed by law, we will have only our respective share of the alternative coverage for any act of terrorism under the policy issued by ICRMP.
4. We have been notified of the annual premium for coverage for acts of terrorism as defined in the Act.
5. We hereby **reject** coverage for acts of terrorism as defined in the Act and understand my policy will contain an exclusion for acts of terrorism as defined by TRIPRA, but will otherwise provide limited coverage concerning acts of terrorism as addressed by the ICRMP policy issued annually to Members.

Chief Executive/Administrative Officer

Date

Print name

Print

public office held

City of Sun Valley

Public Entity Name

RETURN THIS FORM TO YOUR AGENT OR ICRMP. A COPY OF THIS DOCUMENT IS AS BINDING AS THE ORIGINAL.

ATTENTION AGENT: THIS FORM MUST BE SIGNED PERSONALLY BY AN AUTHORIZED OFFICER OF THE INSURED AND RETURNED TO ICRMP.

PUBLIC ENTITY MULTI-LINES INSURANCE POLICY DECLARATIONS

ISSUED BY IDAHO COUNTIES RISK MANAGEMENT PROGRAM, UNDERWRITERS

Named Insured: **City of Sun Valley**
 Address: **PO Box 416**
Sun Valley, Idaho 83353

Policy Number: **36A02181100116**

Policy Period: From: **October 1, 2016**
 To: **October 1, 2017**

Application Date: **August 1, 2016**

Both dates above at 12:01 AM

Member Contribution: **\$95,207**

----- SECTION V – PROPERTY -----

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Coverage Basis and/or Aggregate</i>	<i>Deductible</i>
<i>Buildings, Structures & Property, Mobile Equipment and Automobile Physical Damage</i>			
<u>Sublimits:</u>			
Professional Fees	\$1,000,000	Per covered occurrence.	The first \$500 of any loss is applicable to Section V, Insuring Agreements 1 and 2, excepting flood and earth movement losses. Earth Movement: The first \$25,000 of any loss. *Flood Type A: The first \$25,000 of any loss. **Flood Type B: The first \$500,000 per building and first \$500,000 per contents.
Fine Arts	\$1,000,000	Per covered occurrence and/or in the aggregate for multiple occurrences in one policy year.	
Landscape Items	\$25,000	Per covered occurrence.	
Ordinance Deficiency	\$5,000,000	Per covered occurrence.	
Preservation of Property	\$250,000	Per covered occurrence.	
Newly Acquired Property	\$10,000,000	Per covered occurrence.	
Property in Course of Construction	\$1,000,000	Per covered occurrence.	
Property In Transit	\$1,000,000	Per covered occurrence.	
Service Animals	\$25,000	Per covered occurrence.	
Water/Sewer Backup	\$1,000,000	Per covered occurrence and/or in the aggregate for multiple occurrences in one policy year.	
Earth Movement	\$50,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Entity members combined in one policy year.	
Flood Type A*	\$50,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Entity members combined in one policy year.	
Flood Type B**	\$5,000,000	Per Covered occurrence and/or in the Annual Aggregate all Public Entity members combined in one policy year.	
Operational Disruption Expense	\$2,500,000	Per covered occurrence and/or in the aggregate multiple occurrences in one policy year.	
Data Restoration Related to Operational Disruption Expense	\$250,000	Per covered occurrence and/or in the aggregate multiple occurrences in one policy year.	
Valuable Papers and Records	\$1,000,000	Per covered occurrence and/or in the aggregate multiple occurrences in one policy year.	
Data Restoration Related to Valuable Papers and Records	\$500,000	Per covered occurrence and/or in the aggregate multiple occurrences in one policy year.	

TOTAL SECTION V LIMIT OF INDEMNIFICATION IS \$200,000,000 PER OCCURRENCE LIMIT FOR ALL PROPERTY COVERAGES AND ALL LIMITS OF INDEMNIFICATION COMBINED FOR ALL PUBLIC ENTITY MEMBERS COLLECTIVELY.

----- SECTION VI – MACHINERY BREAKDOWN INSURANCE -----

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Coverage Basis</i>	<i>Deductible</i>
1. Property Damage <i>Sublimits:</i>			The first \$500 of any loss in this section.
Off Premise Property Damage	\$100,000	Per covered occurrence.	
Data or Media (Property)	\$1,000,000	Per covered occurrence.	
Data or Media (Bus. Income & Extra Expense)	\$5,000,000	Per covered occurrence.	
Ammonia Contamination	\$1,000,000	Per covered occurrence.	
Consequential Loss	\$1,000,000	Per covered occurrence.	
Hazardous Substance	\$500,000	Per covered occurrence.	
Water Damage	\$2,500,000	Per covered occurrence.	
Fungus	\$15,000	Per covered occurrence.	
2. Expediting Expenses	\$2,500,000	Per covered occurrence.	
3. Business Income and Extra Expense	\$1,000,000	Per covered occurrence.	
4. Perishable Goods/Spoilage Damage	\$1,000,000	Per covered occurrence.	
5. Service Interruption	\$2,500,000	Per covered occurrence after 24 hour waiting period.	
6. Newly Acquired Premises	\$5,000,000	Per covered occurrence.	
7. Ordinance or Law	\$5,000,000	Per covered occurrence.	
8. Errors and Omissions	\$10,000,000	Per covered claim.	

TOTAL SECTION VI LIMIT OF INDEMNIFICATION IS \$100,000,000 PER OCCURRENCE LIMIT FOR ALL MACHINERY BREAKDOWN COVERAGES AND ALL LIMITS OF INDEMNIFICATION COMBINED FOR ALL PUBLIC ENTITY MEMBERS COLLECTIVELY.

----- SECTION VII – CRIME INSURANCE -----

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Coverage Basis</i>	<i>Deductible</i>
1. Employee Dishonesty	\$500,000	Per covered occurrence.	The first \$500 of any loss in this section.
2. Loss Inside Premises	\$500,000	Per covered occurrence.	
3. Loss Outside Premises	\$500,000	Per covered occurrence.	

-----OCCURRENCE LIABILITY COVERAGES-----

<i>Section and/or Insuring Agreements</i>	<i>Indemnification Limit For Covered Claims Brought Pursuant to Title 6, Ch. 9, Idaho Code</i>	<i>Indemnification Limit for All Other Covered Claims</i>	<i>Defense Cost Limit for Covered Claims</i>	<i>Coverage Basis</i>
SECTION VIII – AUTO LIABILITY				
1. <i>Automobile Liability (Outside State of Idaho)</i>	\$500,000	\$3,000,000	\$2,000,000	Per covered accident.
<i>Automobile Liability (Inside State of Idaho)</i>	\$500,000	\$500,000	Included in above	Per covered accident.
2. <i>Automobile Medical Payments</i>	\$5,000 \$100,000	\$5,000 \$100,000	Not Applicable	Each person. Each accident.
3. <i>Uninsured / Underinsured Motorists</i>	\$100,000 \$300,000	\$100,000 \$300,000	Included in above	Each person. Each accident.
SECTION IX - GENERAL LIABILITY				
1. <i>General Liability</i>	\$500,000	\$3,000,000	\$2,000,000	Per covered occurrence.
<u><i>Sublimits:</i></u>				
Sewer Backup, Mold & Fungus Abatement & Remediation	\$500,000	\$500,000	Included in above	Per covered occurrence.
Fire Suppression Liability	\$500,000	\$500,000	Included in above	Per covered occurrence.
SECTION X – LAW ENFORCEMENT LIABILITY				
1. <i>Law Enforcement Liability</i>	\$500,000	\$3,000,000	\$2,000,000	Per covered occurrence.

-----CLAIMS MADE LIABILITY COVERAGES-----

<i>Section and/or Insuring Agreements</i>	<i>Indemnification Limit For Covered Claims Brought Pursuant to Title 6, Ch. 9, Idaho Code</i>	<i>Indemnification Limit for All Other Covered Claims</i>	<i>Defense Cost Limit for Covered Claims</i>	<i>Coverage Basis</i>
<p>SECTION XI – ERRORS & OMISSIONS LIABILITY</p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p>Retroactive Date: January 1, 1990</p> <p>1. <i>Errors & Omissions Liability</i></p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p>SECTION XII – EMPLOYEE BENEFITS LIABILITY</p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p>Retroactive Date: January 1, 1990</p> <p>1. <i>Employee Benefits Liability</i></p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p>SECTION XIII – EMPLOYMENT PRACTICES LIABILITY</p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p>Retroactive Date: January 1, 1990</p> <p>1. <i>Employment Practices Liability</i></p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p>SECTION XIV – SEXUAL MOLESTATION LIABILITY</p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p>Retroactive Date: October 1, 2010</p> <p>1. <i>Sexual Molestation Liability</i></p>	\$500,000	\$3,000,000	\$2,000,000	Per covered claim.
<p>SECTION XV – CHEMICAL SPRAYING ACTIVITIES LIABILITY</p> <p align="center"><u>CLAIMS MADE COVERAGE</u></p> <p>Retroactive Date: January 1, 1990</p> <p>1. <i>Chemical Spraying Activities Liability</i></p>	\$500,000	\$500,000	\$500,000	Per covered claim and/or in the aggregate for multiple claims.

ANNUAL INDEMNIFICATION LIMIT IN THE AGGREGATE FOR POLICY PERIOD SPECIFIED FOR SECTIONS VIII, IX, X, XI, XII, XIII, XIV, XV AND XVI COMBINED IS \$5,000,000.

ANNUAL DEFENSE COST LIMIT IN THE AGGREGATE FOR POLICY PERIOD SPECIFIED FOR SECTIONS VIII, IX, X, XI, XII, XIII, XIV, XV AND XVI COMBINED IS \$3,000,000.

SECTION XVI –ENDORSEMENTS

<i>Insuring Agreements</i>	<i>Limit of Indemnification</i>	<i>Defense Cost Limit</i>	<i>Coverage Basis and/or Aggregate</i>	<i>Deductible</i>
Accidental Discharge of Pollutants Endorsement #1	\$100,000	Not applicable	Per covered occurrence and/or in the aggregate for multiple claims.	The first \$500 of any loss for Endorsement #1.
Terrorism Insurance Physical Damage/Loss Endorsement #2	\$50,000,000	Not applicable	In the aggregate annually for all ICRMP Members Collectively in the aggregate insured by this Policy.	The first \$10,000 of any loss for Endorsement #2.
Cyber Liability Endorsement #3 <i>CLAIMS MADE COVERAGE</i> Retroactive Date: October 1, 2014	\$1,000,000	Included in limit of indemnification	Per Covered Claim and \$4,000,000 in the aggregate for multiple claims.	The first \$500 of any loss for Endorsement #3.
Public Land Fire Suppression Endorsement #4	\$500,000	Not applicable	Per covered occurrence and/or in the aggregate for multiple claims.	
Terrorism Liability Endorsement #5	\$500,000	\$500,000	Per covered occurrence and/or in the aggregate for multiple claims.	
Asbestos Remediation Endorsement #6	Included in Building Value as Listed in Schedule of Values	Not applicable	Per covered occurrence.	The first \$500 of any loss for Endorsement #7.

NOTICE RE: INSURANCE GUARANTY ASSOCIATION

As required by Article VIII, Section 4 and Article XII, section 4 of the Idaho Constitution and Idaho Code Section 41-3603(10), the ICRMP Program is not a participant in the Idaho Insurance Guaranty Association. As such, ICRMP Subscribers are not responsible for the costs of private insurer insolvencies, nor are they or claimants against them entitled to any of the protections which participation in the Guaranty Association would provide. This notice is provided in cooperation with the Idaho Insurance Guaranty Association. For additional information concerning this notice, contact the ICRMP Executive Director at 1-800-336-1985.

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SECTION I - GENERAL INSURING AGREEMENT

- A. Unless otherwise stated in a specific section or endorsement, the following General Insuring Agreement applies to all sections of this policy.
1. Idaho Counties Risk Management Program, Underwriters (ICRMP) agrees with the **named insured** as listed in the declarations pages of this policy made a part hereof, in consideration of the payment of the member contribution and subject to the limits of indemnification, insuring agreements, conditions, exclusions and other terms of this policy, as follows:
 - a. **We** will provide the insurance described in this policy and declarations pages if **you** have paid the member contribution and have complied with all policy provisions and conditions. This policy is divided into coverage sections, some with multiple insuring agreements. The insurance set forth in this policy is subject to the limits of indemnification as indicated on the declarations pages or as set forth within the policy or any other endorsements issued during this term.
 - b. The liability insuring agreements afforded by this policy responding to covered claims for **damages** brought pursuant to Title 6, Chapter 9, Idaho Code (the Idaho Tort Claims Act) are expressly limited to five hundred thousand dollars (\$500,000) per occurrence. It is the express intent of ICRMP to limit exposure and coverage to the limit of \$500,000 per covered claim, **accident, occurrence** or loss as established by statute. Any reference to liability indemnification amounts in excess of five hundred thousand dollars (\$500,000) contained in this policy shall not apply to claims brought pursuant to the Idaho Tort Claims Act.
 - c. All limits of indemnification, including annual aggregate, are as stated in the declarations pages or within the accompanying policy.
- B. Certain provisions in this policy restrict coverage or limit damage amounts. The entire policy should be read carefully to determine **your** rights and duties, and to determine what is and is not covered.

SECTION II - GENERAL DEFINITIONS

- A. Unless otherwise stated or amended in a specific section or endorsement, the following definitions are applicable to all sections and endorsements of this policy.
1. "**Accident**" means an unexpected happening without intention or design.
 2. "**Aircraft**" means any machine capable of sustained atmospheric flight, including unmanned aerial vehicles.
 3. "**Automobile**" means a motorized land vehicle principally licensed and designed for travel on public roads. **Automobile** does not include *mobile equipment*.
 4. "**Bodily Injury**" means physical injury, sickness, disease, shock, fright, mental injury or anguish, emotional distress, or disability sustained by a natural person, including death resulting from any of these. **Bodily Injury** does not include sexual molestation.
 5. "**Covered Property**" means **your** buildings and structures, building contents, leasehold improvements, leased buildings and structures, buildings and structures in the course of construction, **automobiles** and **mobile equipment** listed on the **schedule of values**. It also means personal property of others that is in **your** care, custody or control, but only for the portion in which **you** have an insurable interest at the time of the loss.
 6. "**Damage(s)**" means monetary compensation to be awarded through judgment in a court proceeding or through settlement agreed to by **us** to compensate a claimant for harm suffered.
 7. "**Discrimination**" means any actual or alleged:
 - a. Violation of any employment discrimination law; or
 - b. Disparate treatment of, or the failure or refusal to hire a person because he or she is or claims to be a member of a class which is or is alleged to be legally protected.
 8. "**Employee Benefit Program**" means group life insurance, group accident or health insurance, or group dental, vision and hearing plans, retirement, profit sharing, unemployment insurance, or any other benefit provided that no one other than an employee of the **named insured** may subscribe to such insurance or plans and such benefits are made generally available to those employees who satisfy the plan's eligibility requirements.
 9. "**Employment Sexual Harassment**" means any actual or alleged unwelcome sexual advances, requests for sexual favors or any other conduct of a sexual nature which:
 - a. Is made as a term or condition of a person's employment or advancement; or
 - b. The submission to or rejection of is used as a basis for decisions affecting that person or the purpose or effect of creating an intimidating, hostile or offensive work environment.
 10. "**Employment Harassment**" means any actual or alleged harassment, other than **Employment Sexual Harassment**, which creates a work environment that interferes with job performance, or creates an intimidating, hostile or offensive work environment.
 11. "**First Aid**" means the rendering of emergency medical treatment at the time of an accident and only when other licensed medical professional care is not immediately available.
 12. "**First Made**" means when **you** first give written notice to **us** that a claim has been made against **you**, but not later than the end of this policy period or any extended reporting period **we** provide. Reports of incidents or circumstances made by **you** to **us** as part of risk management or loss control services shall not be considered notice of a claim.

13. "**Fungi**" means any organism of the plant kingdom Fungi, which lacks chlorophyll and vascular tissue, including but not limited to, yeast, mold, mildew, rust, smut, mushrooms, spores, mycotoxins, or any other substances, odors, or byproducts arising out of the current or past presence of fungi.
14. "**Insured**" means:
 - a. The **Named Insured**,
 - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor.
15. "**Mobile Equipment**" means equipment that is on wheels or tracks and is not licensed or principally designed for travel on public roads and is self-propelled or specifically designed to be attached to or pulled by a vehicle such as a trailer or semi-trailer and identified in **your schedule of values**. It also includes watercraft fifty (50) feet and under in length identified in **your schedule of values**.
16. "**Named Insured**" means the public entity identified in the declarations pages of this policy.
17. "**Occurrence**" means an **accident** or a continuous or repeated exposure to conditions which result in **personal injury** or **property damage** during the policy period. All **personal injury** to one or more persons and/or **property damage** arising out of an **accident** or a continuous or repeated exposure to conditions shall be deemed one **occurrence**.
18. "**Personal Injury**" means **bodily injury**, mental anguish, shock, sickness, disease, disability, wrongful eviction, malicious prosecution, humiliation, invasion of rights of privacy, libel, slander or defamation of character, piracy and any infringement of copyright of property, erroneous service of civil papers, assault and battery and disparagement of property.
19. "**Pollutant(s)**" means:
 - a. Those materials that can cause or threaten damage to human health or human welfare or cause or threaten damage, deterioration, loss of value, marketability or loss of use to property;
 - b. Any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, metals and waste, including debris and trash and materials to be recycled, reconditioned or reclaimed;
 - c. Bacteria, **fungi**, mold, mildew, virus, silica, or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency or any other governing authority.
20. "**Premises**" means any real property or land possessed and controlled by **you** in **your** capacity as a possessor.
21. "**Property Damage**" means physical damage to or destruction of tangible property, including loss of use resulting from such physical damage or destruction.
22. "**Retaliation**" means any actual or alleged wrongful termination or other adverse employment action by any **insured** against a person or persons on account of:
 - a. Assistance, testimony or cooperation with a proceeding or investigation regarding alleged violations of law.
 - b. Exercise or attempted exercise of rights protected by law;
 - c. Disclosure or threat to disclose to a superior or to any governmental agency alleged violations of the law; or

- d. Refusal to violate any law.
23. "**Schedule of Values**" means those records describing **covered property** as entered into the ICRMP database by the member's agent and kept on file with **us**. Items included in the **schedule of values**, but excluded by textual provisions in this policy are not covered hereby.
24. "**Terrorism**" means an act that:
- a. is dangerous to human life, property or infrastructure; and
 - b. results in damage within **our** coverage territory; and
 - c. is committed by an individual(s) as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States, state or local government by coercion.
25. "**We**", "**Us**" and "**Our**" means Idaho Counties Risk Management Program, Underwriters (ICRMP).
26. "**Wrongful Act**" means the actual or alleged negligent performance of a legal duty or responsibility or failure to perform a legal duty or responsibility, or any error, misstatement, act or omission respectively by **you**, performed in a tortious manner pursuant to the Idaho Tort Claims Act or unlawful violations of civil rights pursuant to Federal law arising out of public office or position. **Wrongful act** is not a **wrongful employment practice**, as defined elsewhere in this policy.
27. "**Wrongful Employment Practice Act**" means any actual or alleged employment-related act or omission in the form of one or more of the following:
- a. **Discrimination**;
 - b. Employment-related libel, slander, defamation;
 - c. **Employment sexual harassment** or **employment harassment**;
 - d. Negligent hiring, supervision, training or retention.
 - e. **Retaliation**;
 - f. Violation of the Family Medical Leave Act;
 - g. Wrongful discipline, deprivation of career opportunity; or evaluation;
 - h. Wrongful termination.
28. "**You**" and "**Your**" means the **named insured** identified in the declarations pages of this policy.

SECTION III – GENERAL CONDITIONS

- A. Unless otherwise stated in a specific section or endorsement, the following conditions are applicable to all sections and endorsements of this policy.
1. **Apportionment.** In the event a suit alleges a claim which is covered by the terms of this policy and a claim which is not covered by the terms of this policy, **our** obligation for the costs of defense and payment of any award or settlement for **damages** shall be limited to only those sums related to a covered claim.
 2. **Assignment.** **Your** interests in this insurance may not be assigned.
 3. **Bankruptcy and Insolvency.** In the event of bankruptcy or insolvency of **you** or any entity comprising **you, we** shall not be relieved of the payment of any claim by **you** or against **you** or the liquidator, receiver or statutory successor of **you** under this policy without diminution because of **your** insolvency provided that **you** have timely paid **your** member contributions.
 4. **Concealment or Fraud.** This policy or any part hereof, is void if it was obtained by misrepresentation, fraud or concealment of material facts by **you** before or after loss.
 5. **Currency.** The member contribution and losses under this insurance are payable in currency of the United States.
 6. **Declarations.** By acceptance of this policy **you** agree that the declarations pages accurately indicate the coverages **you** have purchased.
 7. **Defense of Claims or Suit.** **We** may investigate or settle any covered claim or suit against **you**. **We** will provide a defense with counsel of **our** choice, at **our** expense, if **you** are sued for a covered claim.
 - a. With respect to claims or suits involving section VIII – Automobile Liability Insurance, section IX – General Liability Insurance, section X – Law Enforcement Liability Insurance, section XI – Errors and Omissions Insurance, section XII – Employee Benefits Liability Insurance, section XIII – Employment Practices Liability Insurance, section XIV – Sexual Molestation Liability Insurance, section XV – Chemical Spraying Activities Liability Insurance, and including section XVI – Endorsements, the maximum defense costs **we** will incur shall not exceed \$2,000,000 per covered claim, subject to a total \$3,000,000 limit in the aggregate for all sections above combined for all covered claims that are subject to this policy's policy period. The "per covered claim", "per covered occurrence", or "per covered accident" defense costs amount is the most **we** will incur regardless of whether one or more of the above referenced sections are involved in a single claim, and is in addition to the limits of indemnification shown in the declarations pages. **Our** obligation to defend any claim or suit ends when either:
 - (1) The amount of loss or **damages we** pay equals the limit(s) of indemnification afforded under this policy, or
 - (2) The defense costs incurred by **us** equal \$2,000,000 per covered claim or the defense costs incurred by **us** equal \$3,000,000 in the aggregate for the policy period.
 8. **Dispute Resolution Procedure.** **You** and **we** agree that it is in **our** mutual interest to have a dispute resolution procedure in order to address potential disputes and disagreements as to whether or not a claim is covered by the terms and conditions of this policy. **You** and **we** agree that the dispute resolution procedure as set out in the Joint Powers Subscriber Agreement currently in force as of the effective date of this policy shall apply to address any potential disputes and disagreements as to coverage.
 - a. Inapplicable to Certain Disputes and Disagreements:
 - (1) These dispute resolution procedures do not apply to the appraisal condition set forth in the specific conditions applicable to the property Insuring Agreements in section V of this policy, or to the arbitration condition set forth in the specific conditions applicable to the automobile liability Insuring Agreements set out in section VI of this policy.

- (2) These dispute resolution procedures do not apply in any way to **our** decisions regarding terms of claim settlement, claim payment amount, or the claim investigation process.
9. **Duties After Occurrence, Accident, Wrongful Act, Wrongful Employment Practice, Claim or Suit.**
- a. **You** must see to it that **we** are notified as soon as practicable of an **occurrence** which may reasonably result in a claim. To the extent possible, notice should include:
- (1) How, when and where the **occurrence, claim, accident, wrongful act, wrongful employment practice** or suit took place,
 - (2) The names, addresses and telephone numbers of any injured persons and witnesses,
 - (3) The nature and location of any injury or damage arising out of the **occurrence, accident, wrongful act, wrongful employment practice, claim** or suit.
- b. If a claim is made or suit is brought against any **insured, you** and any involved **insured** must:
- (1) Immediately send **us** copies of any claims, demands, notices, summonses or legal papers received in connection with the claim, **occurrence, accident, wrongful act, wrongful employment practice, claim** or suit,
 - (2) See that **we** receive written notice of the claim or suit as soon as practicable,
 - (3) Authorize **us** to obtain records and other information, and provide a sworn statement, if requested,
 - (4) Cooperate with **us** in the investigation, or defense of the claim or suit, including but not limited to, attendance at hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses,
 - (5) Assist **us**, upon **our** request, in the enforcement of any right against any person or organization which may be liable to **you** because of injury or damage to which this Insurance may also apply,
- c. **You** shall not, except at **your** own risk, voluntarily make a payment, assume any obligation, or incur any expense, other than for **first aid**, without **our** consent,
- d. **Your** failure to comply with the foregoing duties shall constitute a material breach deemed prejudicial to **us**, thereby entitling **us** to refuse any coverage for the **occurrence, accident, wrongful act, wrongful employment practice, claim** or suit; or any duties arising therefrom,
- e. Reports of incidents or circumstances made by **you** to **us** as part of risk management or loss control services shall not be considered notice of a claim.
10. **Entire Agreement.** This policy, when read in concert with the Joint Powers Subscriber Agreement, embodies the entirety of the agreement existing between **you** and **us** relating to this Insurance. **You** acknowledge that the independent insurance agent responsible for maintaining information about **your** insurance needs has no power to bind ICRMP to provide insurance beyond that expressed in this policy, its endorsements, and its attendant declarations pages.
11. **Extended Reporting Periods.** All coverage sections designated as claims-made are conditioned as follows if this policy is cancelled or not renewed for any reason, other than for non-payment of member contribution or non-compliance with the terms and conditions of this policy:
- a. If **you** are expelled from ICRMP, or have elected to withdraw from ICRMP and are in good standing as a Member, as set forth in section III – General Conditions, Item 26, **we** will extend an Extended Reporting Period of thirty (30) days duration following immediately upon the effective date of expulsion or withdrawal, to apply to a **claim** brought forth under the applicable coverage section which is **first made** against **you** in writing to **us** but only by reason of a **wrongful act** or **wrongful employment**

practice act which first commences and was sustained subsequent on or after the retroactive date set forth in the declarations pages and prior to the effective date of this policy's cancellation or termination, and which is otherwise afforded by all coverages within this policy.

- b. If, however, this policy is immediately succeeded by a similar claims-made insurance policy with any insurer, in which the retroactive date is the same as or earlier than that shown in the declarations pages of this policy, the succeeding policy shall be deemed to be a replacement of this policy, and the extended reporting period will not apply.
 - c. The extended reporting period does not reinstate or increase the limit(s) of indemnification applicable to any coverages of this policy. Once in effect, an extended reporting period cannot be canceled.
12. **False or Fraudulent Claims.** If **you** make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this policy may become void and all claims hereunder may be forfeited.
 13. **Inspections, Audit and Verification of Values.** **We** shall be permitted, but not obligated, to review or inspect **your** property, operations, records, and books, at any reasonable time. Neither **our** right to make inspections or conduct reviews, nor the making thereof, nor any report thereon, shall constitute an undertaking on behalf of or for the benefit of **you** or others, to determine or warrant that such property or operations are safe or that the values stated by **you** in **your** application are accurate. It is **your** responsibility to disclose accurate statements of value.
 14. **Loss Payments.** When it has been determined that **we** are liable under this policy, **we** shall pay losses in excess of the stated deductible up to the limits of indemnification stated in the declarations pages. **Our** obligation to make loss payments shall arise as amounts owed are determined.
 15. **Mitigation.** In the event of a loss covered under this policy, **you** must take all reasonable steps to prevent further loss or damage.
 16. **Multiple Insureds, Claims or Claimants.** To the extent that coverage may be applicable to two or more Insuring Agreements in any section or two or more coverage sections, or inclusion herein of more than one **insured** or the making of more than one **claim**, one **occurrence**, **wrongful act** or **wrongful employment practice act** or the bringing of suits by more than one person or organization shall not operate to increase **our** limits of indemnification as stated in the declarations pages. Further, two or more claims arising out of a single **occurrence**, **wrongful act** or **wrongful employment practice act** or series of related **occurrences**, **wrongful acts** or **wrongful employment practice acts** shall be treated as a single **occurrence**, **wrongful act** or **wrongful employment practice act**. All claims made designated coverages for claims, whenever made, shall be considered **first made** against an **insured** during the policy period or any extended reporting period, in which the earliest claim arising out of such **wrongful act** or **wrongful employment practice act**, or series of related **wrongful acts** or **wrongful employment practice acts** was **first made** and all such **claims** shall be subject to the same limits of indemnification.
 17. **No Benefit to Bailee.** **We** will not recognize any assignment or grant any coverage for the benefit of any person, entity, or organization holding, storing or transporting **your** property, regardless of any other provision of this policy.
 18. **Non-Stacking of Insurance Benefits.** No individual or entity entitled to coverage under any section of this policy shall recover duplicate coverages for the same elements of loss under other sections of this policy, or other policies written by **us**. Any claim which transcends more than one policy period shall be subject to the policy limits set forth in the declarations pages of the policy which covers the date of the earliest actionable event, which gives rise to the claim.
 19. **Non-Stacking of Limits - Multiple Sections of this Policy or Multiple Insuring Agreements within each Section Involved in a Single Event.** If any **occurrence**, **accident**, **claim**, **wrongful act** or **wrongful employment practice** or other loss covered in whole or in part under any section that also constitutes any **occurrence**, **accident**, **claim**, **wrongful act**, **wrongful employment practice** or loss is covered in whole or in part under any other section or any combination of two or more of the coverage sections itemized previously, or any events subject to multiple insuring agreements within each section, shall be limited to coverage limits allowed by the section of the policy with the higher limit for the per occurrence, per accident or per claim(s) limit(s) of indemnification as shown in the declarations pages,

and its corresponding deductible shall be the sole limit applicable to the multiple **occurrences, accidents,** claims or losses addressed. If the per occurrence, per accident and per claim(s) limit(s) of indemnification as shown in the declarations pages are equal, only one limit will still apply and it will be the limit of indemnification and its corresponding deductible, if any, applicable to the section deemed by **us** to be providing the primary coverage for the **claim, accident, wrongful act, wrongful employment practice, occurrence** or other covered loss.

20. Notice of Member Contribution or Coverage Changes.

- a. **We** will mail or deliver to **you**, at the last known mailing address, written notice of the following for a subsequent year at least thirty (30) days prior to the expiration date of this policy:
 - (1) A total member contribution increase greater than ten percent (10%) which is the result of a comparable increase in member contribution rates.
 - (2) Changes in deductibles.
 - (3) Reductions in limits of indemnification.
 - (4) Reductions in coverage.
- b. If **we** fail to provide at least thirty (30) day notice, the policy previously provided to **you** shall remain in effect until thirty (30) days after such notice is given or until the effective date of a replacement policy or self-insurance obtained by **you**, whichever occurs first.
- c. For purposes of this provision, notice is considered given on the date of mailing of the notice to **you**. Proof of mailing of conditions of renewal to the last known mailing address of **you** shall be sufficient proof of notice.

21. Other Insurance. If **you** have other insurance (whether primary, excess or contingent), against loss covered by this Insurance, **we** shall be liable, under the terms of this insurance, only as excess of other valid and collectible insurance. Notwithstanding the foregoing, **you** may purchase insurance specifically in excess of this insurance. Such excess insurance shall not be considered "other insurance" for purposes of this condition.

22. Reporting Property on Your Schedule of Values. Coverage is conditioned upon information being entered into the online ICRMP e-Agent website by **your** agent. It is the responsibility of the independent insurance agent to enter information into the online ICRMP e-Agent website. It is the responsibility of **you** to report the required information to **your** agent.

23. Salvage. The salvage value of **your** damaged property may be credited against the amount **we** pay to replace **your** damaged property if **you** retain said property.

24. Subrogation/Recovery/Right of Reimbursement. If **we** make payment under this policy to **you** or on **your** behalf, and **you** or the person or entity for whom payment was made has a right to recover damages, **we** will be subrogated to that right. **You** must do whatever is necessary to enable **us** to exercise **our** rights and must do nothing before or after the loss to prejudice **our** rights. **We** may prosecute an action or pursue other lawful proceedings in **your** name for the recovery of these payments, and **you** must cooperate and assist **us** at **our** request. Recoveries received for payments **we** have paid on **your** behalf including both indemnity payments and expenses **we** have incurred in handling **your** claim, will be reimbursed on a pro-rata recovery basis between **you** and **us**, upon closing of the claim.

25. Suit Against Us. No action shall be brought against **us** by **you** unless there has been full compliance with all pertinent provisions of this policy and the ICRMP Joint Powers Subscriber Agreement. No one shall have any right to join **us** as a party to any action against an **insured**.

26. Termination of Insurance Coverage by Member Withdrawal or Expulsion. This insurance may be terminated by **you** by sending a written request of withdrawal to **us**. The effective termination date will be the date of termination **you** request, or the date **we** received **your** notice of withdrawal, whichever is later. This insurance is available only through faithful participation as a member of ICRMP. **You** may be

expelled from ICRMP pursuant to the terms and conditions set forth in the Joint Powers Subscriber Agreement effective as of the date of this policy. If **you** are expelled from ICRMP, all insurance pursuant to this policy is terminated immediately upon transmittal of notice of expulsion, or otherwise as soon as allowed by law.

27. **Terms of Policy to Conform to Statutes.** In the event any terms of this policy are determined to be in conflict with the statutes of the State of Idaho, they are hereby amended to conform to such statutes.
28. **Territory.** The insurance provided by this policy applies to any covered claim or lawsuit filed and maintained only within the fifty (50) states, including the District of Columbia, of the United States of America, for all coverage sections.

SECTION IV - GENERAL EXCLUSIONS

- A. Unless otherwise stated in the specific coverage section, these exclusions are applicable to all sections of this policy. This policy does not cover in whole or in part, arising directly or indirectly out of, or resulting from any **personal injury, bodily injury, damages**, claim, **property damage**, damage to **covered property, wrongful act, wrongful employment practice act**, cost, expense or any other type of loss, however characterized for:
1. **Aircraft.** This policy does not cover any claim resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **aircraft**, airfields, runways, or fueling stations related to aviation activities.
 2. **Asbestos.** This policy does not cover any claim caused by or contributed to by:
 - a. The use of, sale of, installation of, removal of, abatement of, distribution of, containment of, or exposure to asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
 - b. The actual or threatened abatement, mitigation, removal or disposal of asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
 - c. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (a) and (b) above; or
 - d. Any obligation of the covered party to indemnify or contribute with any party in connection with subparagraphs (a), (b) or (c) above.
 3. **Bids or Estimates.** This policy does not cover any claim arising out of estimates of probable costs, or cost estimates being exceeded, or for faulty preparation of bid specifications or plans.
 4. **Civil and Criminal Penalties.** This policy does not cover any claim resulting from any civil penalties, criminal penalties, fines or obligations to pay for public services rendered where such obligation is imposed or provided for pursuant to any federal, state, or local law, statute, ordinance, or regulation, however characterized, except as expressly provided elsewhere, herein.
 5. **Claims by Members against Past or Present Public Officials.** This policy does not cover the interest of any past or present employee, elected official, or agent arising out of any claim for money **damages**, monetary reimbursement or specific performance brought against such employee, elected official or agent by the **named insured** by whom the public official, employee, elected official or agent was employed or retained. Also excluded are those claims brought by an elected official, or by one appointed to fill an elected position for a **named insured** against another official of the same **named insured**, or the **named insured** itself, arising out of a dispute or interpretation involving the relative governmental authority of the elected officials of the **named insured**.
 6. **Contractual Liability.** This policy does not cover a claim where the alleged harm for which compensation is sought derives from:
 - a. The performance or nonperformance of terms of a contract, whether written, oral or implied, or concerns the measure of payment related to contract performance, derives from fines, penalties or administrative sanctions imposed by a governmental agency, or is generated by intergovernmental determination, calculation, handling or allocation of funds according to the law. The claim(s) for which this policy provides defense and indemnification must arise out of conduct of a tortious nature or be premised upon allegations of unlawful violation of civil rights pursuant to state or federal law.
 - b. The interests of the State of Idaho or the United States Government, or their officers, agents, employees, volunteers, officials or trustees, for their conduct and activities arising out of or in any way related to any written, oral or implied contract or agreement with **you**, or otherwise. Each governmental entity shall be responsible for its own conduct and activities under any contract.

7. **Course and Scope.** This policy does not cover any claim resulting from an act or omission outside the course and scope of employment or any act performed with malice or criminal intent. This exclusion applies regardless of whether any **insured** is actually charged with, or convicted of, a crime.
8. **Cyber Liability.** This policy does not cover any claim, notification costs, **credit monitoring expenses**, forensic expenses, loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data; public relations expenses or any other loss; costs or expenses arising directly or indirectly out of, resulting from, caused by or contributed to by losses related to computer-connected access to and/or computer disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information, except for that data that is required to be disclosed under the Idaho Public Records Act.
9. **Eminent Domain.** This policy does not cover any claim arising out of or in any way connected with the operation of the principles of eminent domain, condemnation proceedings, inverse condemnation, annexation, regulatory takings, land use regulation, or planning and zoning activities or proceedings, however any such matters may be characterized, whether such liability accrues directly against **you** or by virtue of any agreement entered into by or on **your** behalf
10. **Employee Benefits.** This policy does not cover any employee benefit related claim:
 - a. Arising directly or indirectly out of the failure of any investment in or by any **employee benefit program** including but not limited to stocks, bonds, or mutual funds to perform as represented by an **insured** or by any party authorized by an **insured** to offer benefits to employees.
 - b. Arising directly or indirectly out of the negligence, financial failure or breach of contract by any health or employee benefit provider that the **named insured** contracts with to provide employee benefits.
 - c. Based upon an **insured's** failure to comply with any law concerning worker's compensation, unemployment insurance, social security, or disability benefits.
 - d. Arising out of an insufficiency of funds to meet any obligations under any plan included in the **employee benefit program**.
 - e. For benefits to the extent that such benefits are available, with reasonable effort and cooperation of the **insured**, from the applicable funds accrued or other collectible insurance.
 - f. For errors in providing information on past performance of investment vehicles or advice given by an **insured** to participate or not to participate in or by any **employee benefit program**.
 - g. Arising directly or indirectly out of insolvency, poor performance, misrepresentation, or any other wrongful conduct of any **employee benefit program** provider.
 - h. For which any **insured** is liable because of liability imposed on a fiduciary by the Employee Retirement Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.
11. **Employee Defendants in Criminal Actions.** This policy does not cover any obligation of a **named insured** to make payments pursuant to Idaho Code § 6-610A, which provides for the payment of defense costs on behalf of certain employees of governmental entities who are named as defendants in a criminal action.
12. **Fungi.** This policy does not cover any claim caused by or contributed to by:
 - a. Any fungus(i) or spore(s);
 - b. Any solid, liquid, vapor, or gas produced by or arising out of any fungus(i) or spore(s);

- c. Any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(i) or spore(s);
 - d. Any intrusion, leakage, or accumulation of water or any other liquid that contains, harbors, nurtures or acts as a medium for fungus(i) or spore(s);
 - e. The actual or threatened abatement, mitigation, removal or disposal of fungus(i) or spore(s) or any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(i) or spore(s);
 - f. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with subparagraphs (a) through (e) above; or
 - g. Any obligation to indemnify or contribute with any party in connection with subparagraphs (a) through (f) above. For the purpose of this exclusion fungus(i) includes, but is not limited to, any form or type of mold, mushroom or mildew and spore(s) include any reproductive body produced by or arising out of any fungus(i).
13. **Limits on Defense of Claims or Suit.** Notwithstanding any other provision of this policy, **we** will have no duty to investigate or defend any claim, suit, dispute, disagreement or other proceeding seeking relief or redress in any form other than money **damages**, including but not limited to costs, fees, fines, penalties or expenses which any **insured** may become obligated to pay as a result of a consent decree, settlement, adverse judgment for declaratory relief or injunctive relief. Such denial of investigation or defense includes, but shall not be limited to any claim, suit, dispute, disagreement or other proceeding:
- a. By or on behalf of any **named insured**, whether directly or derivatively, against:
 - (1.) Any other **named insured**; or
 - (2.) Any other federal, state or local governmental entity or political subdivision.
 - b. By the spouse, child, parent, brother, or sister of any **insured** for consequential injury as a result of any injury to an **insured**; or
 - c. Involving any intergovernmental agreement(s) where any **named insured** is a party to the agreement(s).
14. **Incidental Medical Liability.** This policy does not cover any claim arising out of the rendering of or failure to rendering of or failure to render the following professional health care services:
- a. Medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of food or beverages in connection therewith; or
 - b. Any professional medical service(s) by a physician, except supervisory physicians as defined by Idaho Code § 6-902A (2) (b), and only when performing those duties as outlined in Idaho Code § 6-902A (2) (a).; or
 - c. Any professional medical service(s) by a physician's assistant, nurse practitioner or nurse; or
 - d. Furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.
15. **Intentional Acts.** This policy does not cover any claim resulting from an act or omission intended or expected or deliberated on from the standpoint of any **insured** to cause **personal injury, bodily injury** or **property damage** to others or damage to **covered property**. This exclusion applies even if the **personal injury, bodily injury** or **property damage** is of a different kind or degree, or is sustained by a different person or property, than that intended or expected or deliberated on. This exclusion shall not apply to a claim resulting from the use of reasonable force to protect persons or property, or in the performance of a duty of the **insured**.

16. **Intergovernmental Claims.** This policy does not cover any claim alleging loss or damage, arising or in any way related to a dispute or disagreement between an ICRMP member and another governmental entity, including another political subdivision, a state or the government of the United States involving any of the following:
 - a. Claims of loss or damage between an ICRMP member and another governmental entity wherein there has been no accident or allegation of actual **bodily injury** or property damage.
 - b. The respective authority of public agencies to use governmental powers, irrespective of the style or nature of such claim.
 - c. The respective duty of public agencies to use governmental powers, irrespective of the style or nature of such claim.
 - d. Intergovernmental disputes or disagreements concerning the exercise of powers or acceptance or assignment of duties by governmental entities to carry out public activities whether **damages** are claimed as a result of such dispute or disagreement, or not.
 - e. Claims in any way related to allocation of financial responsibilities between or among public agencies.
17. **Investigatory, Disciplinary or Criminal Proceedings.** This policy does not cover any claim arising from any investigatory, disciplinary or criminal proceeding against an **insured**, except that **we** may at **our** own option, associate counsel in the defense of any such investigatory, administrative or disciplinary proceeding. Should **we** elect to associate counsel, such election shall not constitute a waiver or estoppel of any rights **we** may have pursuant to the terms, conditions, exclusions, and limitations of this policy.
18. **Lead.** This policy does not cover any claim caused by or contributed to by lead as described in parts (a) through (d) below:
 - a. **Bodily injury, property damage** or **personal injury** arising out of, resulting from, caused by or contributed to by the toxic or pathological properties of lead, lead compounds or lead contained in any materials;
 - b. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
 - c. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (a) or (b) of this subsection above; or
 - d. Any obligation to share **damages** with or repay someone else who must pay **damages** in connection with parts (a), (b) or (c) of this subsection.
19. **Miscalculation or Legality of Assessments.** This policy does not cover any claim involving miscalculation or legality of assessments, adjustments, disbursements, fees, licenses or the collection of taxes, fines, penalties, including those imposed under the Internal Revenue Code or any state or local law, however described.
20. **Nuclear, Chemical and Biological Incident.** This policy does not cover a claim arising from:
 - a. Nuclear detonation, reaction, radiation, radioactive contamination or hazardous properties of nuclear material of any type, however caused or characterized, including any loss or damage by fire resulting therefrom;
 - b. The dispersal, application or release of, or exposure to, chemical or biological materials or agents that are harmful to property or human health, whether controlled or uncontrolled, or due to any act or condition incidental to any of the foregoing, whether such loss be proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by, any physical loss or damage insured against by this policy, however such dispersal, application, release or exposure may have been caused.

21. **Opinion, Treatment, Consultation or Service.** This policy does not cover any claim based upon or attributable to the rendering or failure to render any opinion, treatment, consultation or service, if such opinion, treatment, consultation or service was rendered or failed to have been rendered while any **insured** was engaged in any activity for which they received compensation from any source other than as a public entity or an employee of a public entity.
22. **Pollution.** This is an absolute pollution exclusion. It is the intention of **you** and **we** that there is absolutely no coverage arising out of or relating to **pollutants**, however characterized or defined. This policy does not cover any injury, loss, damage, costs, fines, penalties, or expenses of any kind directly or indirectly arising out of the actual, alleged or threatened existence, discharge, dispersal, release or escape of **pollutants** or negligence in any way related thereto:
- a. At or from **premises you** now, or in the past, have owned, rented, or occupied, including but not limited to **premises** that **you** have operated or managed as an involuntary possessor;
 - b. At or from any site or location used by or for **you** or others for the handling, storage, disposal, processing or treatment of waste at any time;
 - c. That at any time involves the transportation, handling, storage, treatment, disposal, or processing by or for **you** or any person or organization for whom **you** may be legally responsible:
 - (1) At or from any site or location on which **you** or any contractors or subcontractors working directly or indirectly on **your** behalf are performing operations;
 - (2) If the **pollutants** are brought on or to the site or location in connection with such operations;
 - (3) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **pollutants**;
 - d. Whether caused or alleged to have been caused by the **named insured** or any other person, entity, or third-party, however characterized;
 - e. Arising out of any direction, request, or order of any governmental agency, court of law, or other authority, that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**, including any and all costs or attorney's fees associated therewith;
 - f. Arising out of the failure of the **named insured** to prevent or regulate **pollutants** generated or caused by any other person, entity, or third-party, however characterized.
 - g. This exclusion shall not apply to tear gas or mace as applied by law enforcement personnel within the scope of their duties.
23. **Professional Board.** This policy does not cover any claim for any **insured** arising out of the rendering of or failure to render services as a member of a formal accreditation or similar board or committee of an **insured**, or as a person charged with the duty of executing directives of any such board or committee or officer or director, or other official of any organization, other than the **named insured**. This exclusion does not apply if an **insured** is serving at the direction of or on behalf of the **named insured**, and is acting within the scope of their duties as such.
24. **Punitive Damages.** This policy does not cover any claim for exemplary or punitive **damages**, however characterized.
25. **Silica.** This policy does not cover any claim caused by or contributed to by silica as described in paragraphs (a) and (b) below:
- a. **Bodily injury, property damage, or personal injury** arising out of, resulting from, caused by, or contributed to by silica, exposure to silica or the use of silica, except for road or pedestrian way maintenance applications or operations;
 - b. Any **damages**, loss, cost or expense arising out of any:

- (1) claim or suit by or on behalf of any governmental authority or any other alleged responsible party because of, or
 - (2) request, demand, order or statutory or regulatory requirement that any covered party or any other person or entity should be, or should be responsible for:
 - (i) Assessing the presence, absence or amount or effects of silica;
 - (ii) Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, abating, disposing of or mitigating silica; or
 - (iii) Responding to silica in any way other than as described in (a) and (b) above;
 - (3) supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with any of the paragraphs (a) or (b) above; or
 - (4) obligation to share **damages** with or repay someone else in connection with any of the provisions of paragraphs (a) or (b) above.
26. **Terrorism.** This policy does not cover any claim by, though, or as a consequence of acts of **terrorism**, whether followed by fire or other perils, and whether certified as **terrorism** or not by the United States government.
27. **Wages.** This policy does not cover any claim for back wages or legal penalties to which an employee is lawfully entitled for work performed, including any claim for wages, **damages**, liquidated damages or any other form of compensation, however characterized, pursuant to, or derived in any way, from an employer's responsibility to comply with the Fair Labor Standards Act or other state or federal statute directing the manner or amount of payment of compensation to employees.
28. **War or Civil Disturbance.** This policy does not cover any claim by, happening through or as a consequence of war, invasion, acts of foreign enemies, any weapon of war employing atomic fission or radioactive force whether in time of peace or war, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority unless such acts of destruction by order of civil authority are at the time of and for the purpose of preventing spread of fire; or claims or liability arising directly or indirectly from nuclear fission, nuclear fusion or radioactive contamination.
29. **Watercraft.** This policy does not cover any claim involving the ownership, maintenance or use, including loading and unloading, of watercraft over fifty (50) feet in length.
30. **Workers' Compensation and Other Benefits Laws.** This policy does not cover any claim to any obligation for which **you** may be held liable under any workers' compensation, unemployment compensation, disability benefits law, employer's liability, or under any similar federal, state or local law, ordinance, rule or regulation, however characterized, as well as any **claim** or **suit** by a spouse, child, parent, or sibling of an **insured** as a consequence of **personal injury** to an **insured**.

SECTION V – PROPERTY INSURANCE

A. Insuring Agreements Applicable to Property Insurance

1. **Buildings, Structures, and Property.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay **you**, or on **your** behalf, for direct accidental physical loss of or direct accidental physical damage to **your covered property**, during the policy period specified in the declaration pages.
2. **Mobile Equipment and Automobile Physical Damage.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay **you**, or on **your** behalf, for direct accidental physical loss of or direct accidental physical damage to any **automobile or mobile equipment** owned by **you**, or any **automobile or mobile equipment** for which **you** have an obligation to provide adequate insurance because of an ownership or possessory interest during the policy period specified in the declaration pages.

B. Definitions Applicable to Property Insuring Agreements

1. **"Actual Cash Value"** means the cost of replacing damaged or destroyed property with comparable new property, minus depreciation and obsolescence.
2. **"Computer System"** means a system of computer hardware, software, and associated electronic devices that **you** operate or own.
3. **"Earth Movement"** any natural or man-made earth movement, earthquakes, seaquakes, shocks, tremors, seismic events, landslides, submarine landslides, avalanches, subsidence, sinkhole collapse, mud flow, rock fall, volcano, lava flow or any other similar earth movement, sinking, rising or shifting
4. **"Flood"** means a temporary condition of partial or complete inundation of normally dry land from:
 - a. The overflow of inland or tidal waters outside the normal watercourse or natural boundaries;
 - b. The overflow, release, rising, backup, runoff or surge of surface water; or
 - c. The unusual or rapid accumulation or runoff of surface water from any source.
5. **"Functional Replacement Cost"** means the cost of replacing damaged property with similar property that will perform the same function but may not be identical to the damaged property.
6. **"Operational Disruption Expense"** means costs incurred by the **named insured** in order to continue as nearly as practicable the normal operation of **your** public entity immediately following a covered loss. This includes the loss of any income, net of expenses, incurred during the **period of restoration** of the operation of the public entity.
7. **"Period of Restoration"** means that period of time that begins with the date of the direct physical loss of or direct physical damage to **covered property** and ends with the date when such part of the **covered property** as has been lost or damaged could, with the exercise of **your** due diligence or dispatch, be rebuilt, or replaced.
8. **"Replacement Cost"** means the cost to repair, rebuild or replace with new materials of like kind, size and quality, without deduction for depreciation.

C. Specific Conditions Applicable to Property Insuring Agreements

1. **Appraisal.** If **you** and **we** fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser, and notify the other of the appraiser's identity within twenty-one (21) days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within fourteen (14) days, **you** or **we** can ask a district judge in the State of Idaho to select an umpire. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within fourteen (14) days, they shall submit their differences to the umpire. Written agreements signed by any two of

these three shall set the amount of the loss within seven (7) days. Any such decision resulting from the appraisal process shall be final and binding upon **you** and **us**, and shall not be subject to judicial review or appeal, except upon a showing of fraud, misrepresentation or other undue means. Each appraiser, and related expenses, shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation and expenses of the umpire shall be shared equally by **you** and **us**.

2. **Automobiles and Mobile Equipment that are Leased or Rented.** **Automobiles** and **mobile equipment** that are temporarily leased or rented to an **insured**, for less than ninety (90) days, and used for official business, are covered under Insuring Agreement 2, and are not required to be listed on the **schedule of values**.
3. **Automobiles Owned by Employees or Authorized Volunteers.** **Automobiles** owned by employees or authorized volunteers of the **named insured** are provided secondary physical damage insurance while the **automobiles** are being used by the employee or authorized volunteers on official business of the **named insured**. Insurance provided by this condition shall be deemed secondary to the insurance of the employee or authorized volunteers' personal insurance, which shall be primary insurance. The intent of this special condition shall not be interpreted to extend insurance to **automobiles** owned by other public or private entities, which are made available to **you, your** employees or volunteers. For these non-owned **automobiles**, the terms and conditions already contained in this section shall apply. This condition does not apply to **automobiles** or **mobile equipment** owned by authorized volunteers engaged in search and rescue activities. Insuring Agreement 2 is intended to provide primary insurance for search and rescue volunteers only when actively participating in search and rescue mobilizations initiated by the **named insured**.
4. **Civil Authority.** Property which is insured under this section is also covered against damage or destruction by civil authority during a conflagration and for the purpose of retarding the same; provided that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, revolution, rebellion, insurrection, **terrorism** or other hostilities or warlike operations.
5. **Debris Removal.** This section covers up to 25% of the amount of damage to **covered property** otherwise payable for any one occurrence under Insuring Agreement 1 for the expenses of removing debris remaining after any loss thereby insured against, except that there shall be no liability for the expense of removal of any foundations, unless damaged by a covered **accident**.
6. **Earth Movement.** **Flood** as defined in this section, that would not have occurred but for an **earth movement** as described, shall be deemed to be proximately caused solely by **earth movement** regardless of any other cause or event that contributes concurrently or in any sequence to such **flood**, and consequently shall be considered **earth movement**.
7. **Flood.** When a loss is caused by **flood** under this section, **we** will pay only that part of the loss that exceeds the applicable deductible amount. The deductible in regards to a loss caused by **flood** is as follows:
 - a. Flood Type A: The first \$25,000 of each loss for buildings listed in the **schedule of values** subject to the aggregate as expressed in the declaration pages of this policy. Flood Type A excludes structures located wholly or partially within Special Flood Hazard Areas (SFHA), or areas of one hundred (100) year flooding, as defined by the Federal Emergency Management Agency (FEMA).
 - b. Flood Type B: The first \$500,000 of each building and the first \$500,000 of the contents amount listed for each building in the **schedule of values** subject to the aggregate as expressed in the declaration pages of this policy. Flood Type B applies to structures located wholly or partly within Special Flood Hazard Areas (SFHA), or areas of one hundred (100) year flooding, as defined by the Federal Emergency Management Agency (FEMA).
8. **Inadvertently Omitted Property:** **We** will pay up to first \$500,000 of the repair or **functional replacement cost**, whichever is less, for property inadvertently omitted from **your schedule of values**. Additionally, for any inadvertently omitted property valued in excess of \$500,000, up to a total of \$1,000,000 in the aggregate, annually, **we** will pay 50% of the **functional replacement cost**, whichever is less.
9. **Landscaping Items.** **We** will pay for damage to **your** outdoor trees, shrubs, plants or harvested crops as a result of an **accident**. The most **we** will pay in any one occurrence is \$25,000.

10. **Newly Acquired Property:** All newly acquired property shall be reported to **us** within one hundred and twenty (120) days in order for coverage to continue and shall be limited to \$10,000,000 until such time as reported to **us**, but no longer than one hundred twenty (120) days after acquisition.
11. **Operational Disruption Expense.** **We** agree to pay **you** or on **your** behalf **operational disruption expense** resulting from damage to **covered property** arising out of a covered loss under Insuring Agreement 1 during the **period of restoration**. The maximum amount **we** will pay for **operational disruption expenses** for any one occurrence or in the aggregate for multiple occurrences is \$250,000 for damages involving actual interruption of the use of **your computer system** when caused by a covered loss, provided that the disruption is directly caused by damage to **your computer system**. The maximum amount **we** will pay for all other covered operational disruptions is \$2,500,000 for any one occurrence or in the aggregate for multiple occurrences.
12. **Ordinance Deficiency.** In the event of a covered loss, **our** liability for additional cost **shall** not exceed \$5,000,000 occasioned by the enforcement of any state or municipal law, ordinance or code, which necessitates repairing, rebuilding, or replacement of **covered property** to meet such requirements, provided such repairing, rebuilding or replacement is complete or commences and is continuing within twenty-four (24) months of the date of loss. If demolition is required to comply with such requirement, **our** liability for such additional costs, shall not exceed the limits established in the debris removal provision above. The provisions of these conditions shall not, in any event, apply to increased costs due to the enforcement of compliance with statutes, ordinances or laws regulating **pollutants**, whether local, state or federal in nature. Any payment under this provision shall not serve to increase the limits of indemnification.
13. **Preservation of Property.** If it is necessary to move covered personal property from the described **premises** to preserve it from loss or damage, **we** will pay up to \$250,000 for direct physical loss or damage to that property while it is being moved or while temporarily stored at another location. **We** may pay for reasonable expenses incurred to minimize **your** loss, but any payment under this provision shall not serve to increase the limits of indemnification that would otherwise apply at the time and place of loss, nor shall such expenses exceed the amount by which the loss is reduced.
14. **Professional Fees.** This policy is extended to cover reasonable and necessary expenses incurred by **you** for architects, engineers, or other necessary design professionals who assist **you** in rebuilding from **your** loss under this section. Professional fees are limited to a maximum of \$1,000,000 per occurrence.
15. **Property of Others.** Employee or volunteer-owned personal property located within **covered property** is covered up to a per occurrence limit of \$50,000 per **accident**. Coverage provided shall be secondary to any primary coverage available to employees or volunteers.
16. **Property in the Course of Construction.** New construction of buildings, including equipment, machinery, tools, materials or supplies intended for use in the construction of such property shall be covered up to \$1,000,000 for each building as listed per the **schedule of values**. Repairs or renovations of existing buildings or structures listed on the **schedule of values** and that **you** have an insurable interest in at the time of loss will also be covered up to \$1,000,000.
17. **Property in Transit.** This section covers **covered property**, while being transported by **you**, up to a per occurrence and/or in the aggregate limit of \$1,000,000 per policy period.
18. **Schedule of Values.** Except for **automobiles**, other **covered property** need not be identified in the **schedule of values** if the individual value of the item is less than \$100,000. It is **your** responsibility, working with **your** independent insurance agent, to make sure all **covered property** valued over \$100,000 is listed on **your schedule of values**.
19. **Valuable Papers and Records.** In the event of a covered loss under Insuring Agreement 1, **we** agree to pay **you**, or on **your** behalf, for direct accidental physical loss of or direct accidental physical damage to valuable papers and electronic data following damage to **covered property**. This condition applies to the costs to research, replace, or restore records which exist on electronic or magnetic media for which duplicates do not exist. The maximum amount **we** will pay for any one occurrence or in the aggregate for multiple occurrences is \$500,000 to restore data lost by **you** for an actual interruption of the use of **your computer system** when caused by a covered loss. This includes retrieving, repairing, restoring or replacing any of **your computer system** or any other data media or media material or any other computer programs for which **you** are responsible provided the claim results from a network breach, malicious code or accidental damage to **your computer system**. The maximum amount

we will pay for all other losses to valuable papers and records is \$1,000,000 for any one occurrence or in the aggregate for multiple occurrences.

20. Valuation of Loss.

- a. Buildings and structures— **We** shall not be liable for loss or damage in excess of 125% of the stated total value per location as reported in the **schedule of values**, which **you** have submitted to **us** in accordance with the conditions described below:
 - (1) If damage or destruction to **covered property** is not repaired, rebuilt or replaced on the same or another site within two (2) years after the loss or damage, **we** shall not be liable for more than the **actual cash value** as of the date of loss (ascertained with proper deduction for depreciation) of the property destroyed;
 - (2) **Our** total liability for loss of property covered herein shall not exceed the least of the following:
 - (i) The cost to repair; or
 - (ii) The cost to rebuild or replace, calculated as of the date of the loss, on the same site, with materials that are functionally equivalent; or
 - (iii) The actual expenditure incurred in rebuilding, repairing or replacing on the same or another site.
- b. Building Contents -- at **replacement cost** of the damaged or destroyed **covered property**.
- c. **Automobile** and **mobile equipment** –not to exceed the **functional replacement cost**, for vehicles and **mobile equipment** listed on **your schedule of values**, up to a maximum of \$1,000,000 per item and no more than \$10,000,000 in the aggregate for multiple items while not in use.
- d. Stock in process -- at the value of raw material and labor expended plus the proper proportion of overhead charges.
- e. Finished goods manufactured by **you** -- at the regular cash-selling price at the location where the loss occurs, less all discounts and charges to which the property would have been subject had no loss occurred.
- f. Property of others – (1) at the amount for which **you** are liable, but in no event to exceed the **replacement cost** value or (2) fine arts on display at the appraised value and included as contents or listed separately on the **schedule of values** up to the limits specified in the declaration pages.
- g. Leased buildings, leasehold improvements and betterments at **replacement cost**, if actually replaced within two (2) years after the loss or damage; if not replaced, at **actual cash value** on date of loss.
- h. Accounts, manuscripts, mechanical drawings and other records and documents not specifically excluded -- at value plus cost of transcribing.
- i. Fine arts -- at the appraised value of the article to a maximum of \$1,000,000 per occurrence or in the aggregate for multiple occurrences.

21. **Water Backup through Sewer or Drain.** **We** provide coverage for direct physical loss to **your** buildings and their related contents when damage is caused by water which backs up through sewers or drains, not related to a **flood**, up to a maximum of \$1,000,000 per occurrence or in the aggregate for multiple occurrences within the policy period.

D. Exclusions Applicable to Property Insuring Agreements

1. **With Regard to all property, we do not cover losses under the Property Insuring Agreements of this section resulting directly or indirectly from:**
 - a. Loss or damage more specifically covered under any other section of this policy.

- b. Moths, vermin, termites, or other insects; inherent vice; latent defect; wear, tear or gradual deterioration; and contamination, rust, wet or dry rot, mold, dampness of atmosphere, acid rain, smog or variations of temperature.
 - c. Settling, shrinkage or expansion of building or foundation, except if damage to **covered property** is caused by **earth movement** or **flood**.
 - d. Loss of use, delay, loss of markets or opportunity.
 - e. Breakdown or derangement of any machinery, unless an insured peril ensues, and then only for the actual loss or damage caused by such ensuing peril.
 - f. Electrical appliances, devices, fixtures or wiring caused by artificially generated electrical current, unless fire or explosion ensues, and then only for the actual loss or damage caused by such ensuing fire or explosion.
 - g. Inventory shortage, including mysterious disappearance or loss resulting from any kind of infidelity, dishonesty by **you** or any of **your** employees, whether alone or in collusion with others.
 - h. Any fraudulent, dishonest, or criminal act related to theft of cash, securities, or other negotiable instruments, however described, by any employee or authorized representative of an **insured** while acting alone or in collusion with others.
 - i. Any loss to **covered property**, other than wind or fire damage to **covered property**, which has been vacant or unoccupied for more than one hundred and twenty (120) consecutive days, including the date of the loss. A building is considered vacant or unoccupied when it does not contain enough property to conduct its customary business operations. However, it does not include any time when customary activities are suspended due to circumstances that are usual to the building's occupancy.
2. **With Regard to Buildings and Structures, we do not cover losses under the Property Insuring Agreements of this section resulting directly or indirectly from:**
- a. Settling, cracking, bulging, shrinking or expansion of pavements, foundations, walls, floors, ceilings or roofs, unless one or more of the walls or roofs of the building or structure are physically broken and falls to a lower level, except if damage is caused by a covered **accident**, or if damage to **covered property** is caused by **earth movement** or **flood**.
 - b. Extremes or changes of temperature (except to water piping or space heating equipment due to freezing) or changes in relative humidity, regardless of whether or not atmospheric except if damage to **covered property** is caused by **earth movement** or **flood**.
 - c. Any increase of loss due to interference with rebuilding, repairing, or replacing a building, or with the resumption or continuation of business.
 - d. Any increase of loss due to the suspension, lapse or cancellation of any lease or license, contract or order.
 - e. Loss or damage to property caused by or resulting from errors in design or testing of that property, except resultant physical loss or damage to other property insured by this section.
 - f. The repair or replacement of faulty or defective workmanship, material, or construction, except resultant physical loss or damage to other property insured by this section.
3. **With Regard to Property in Course of Construction, we do not cover losses under the Property Insuring Agreements of this Section resulting directly or indirectly from:**
- a. The repair or replacement of faulty or defective workmanship, material, or construction, except resultant physical loss or damage to other property insured by this section.

- b. Penalties for non-completion of or delay in completion of contract or non-compliance with contract conditions, nor for loss of use of occupancy, however caused.
4. **With Regard to specific types of property, we do not cover physical loss or physical damage to the following property:**
- a. All animals and birds, except service animals that are identified on **your schedule of values**. For those identified service animals, **our** liability for such loss shall not exceed the amount listed in the **schedule of values** or \$25,000, whichever is less, for injury, sickness or death.
 - b. Land and water.
 - c. Retaining walls not constituting part of a building when loss is caused by ice or water pressure.
 - d. Underground mines and mining property located below the surface of the ground.
 - e. Any property undergoing insulation breakdown tests.
 - f. Money, notes or securities.
 - g. Jewelry, furs, precious metals or precious stones.
 - h. Dams, canals, ditches, retaining ponds and all liners or other membranes designed to separate, retain, or hold water, sewage, trash, dirt, debris or any other material.
 - i. Roadways, highways, streets, bridges, and guardrails, however characterized.
 - j. Underground pipes.
 - k. Any **mobile equipment, automobile**, watercraft or other property while participating in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity.
 - l. Overhead transmission and distribution lines, including wire, cables, poles, pylons, standards, towers or other supporting structures which may be attendant to the transmission and/or distribution of electrical power and/or telephone communications, but this exclusion shall not apply to such property which is owned by **you**, serves **your** structures and located on or within one thousand (1,000) feet of **your** structures listed on the **schedule of values**.
 - m. Data transmission lines and conduit not contained within walls of **covered property**.

SECTION VI – MACHINERY BREAKDOWN INSURANCE

A. Insuring Agreements Applicable to Machinery Breakdown Insurance

1. **Property Damage.** We agree subject to the conditions and exclusions of this Insuring Agreement to pay for direct damage to **covered property** caused by a **covered cause of loss** related to breakdown of machinery as listed in the **schedule of values** kept on file with **us**.
2. **Expediting Expenses.** With respect to direct damage to **covered property** we agree subject to the conditions and exclusions of this Insuring Agreement to pay for the extra cost **you** necessarily incur to make temporary repairs and expedite the permanent repairs or replacement of the damaged property.
3. **Business Income and Extra Expense.** We agree subject to the conditions and exclusions of this Insuring Agreement to pay **your** actual loss of **business income** during the **period of restoration** and **extra expense** **you** necessarily incur to operate **your** entity during the **period of restoration**. We will consider the operations of **your** entity before the **breakdown** and the probable experience **you** would have had without the **breakdown** in determining the amount of **our** payment.
4. **Perishable Goods/Spoilage Damage.** We agree subject to the conditions and exclusions of this Insuring Agreement to pay for the spoilage damage to raw materials, property in process or finished products, provided conditions are met that are outlined further in this section. We will also pay any necessary expenses **you** incur to reduce the amount of loss under this Insuring Agreement. We will pay such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this form.
5. **Service Interruption.** We agree subject to the conditions and exclusions of this Insuring Agreement to pay for losses resulting from the interruption of utility services to **your** structures provided conditions are met that are outlined further in this section.
6. **Newly Acquired Premises.** We agree subject to the conditions and exclusions of this Insuring Agreement to provide insurance for machinery at newly acquired **premises** **you** have purchased or leased. This insurance begins at the time **you** acquire the property and continues for a period not exceeding one hundred and twenty (120) days under conditions set forth below.
7. **Ordinance or Law.** We agree subject to the conditions and exclusions of this Insuring Agreement to pay for increases in loss as necessitated by the enforcement of any laws or ordinances that are in force at the time of the **breakdown**, which regulate the demolition, construction, repair or use of the building or structure.
8. **Errors and Omissions.** We agree subject to the conditions and exclusions of this Insuring Agreement to pay for any loss or damage, which is not otherwise payable under this Insuring Agreement solely because of any error or unintentional omission in the description or location of property as insured under this Insuring Agreement or in any subsequent amendments, any failure through error to include any **premises** owned or occupied by **you** at the inception date of this Insuring Agreement; or any error or unintentional omission by **you** that results in cancellation of any **premises** insured under this policy.

B. Definitions Applicable to Machinery Breakdown Insuring Agreements

1. "**Breakdown**":
 - a. Means the direct physical loss that causes damage to **covered equipment** and necessitates its repair or replacement, unless such loss or damage is otherwise excluded within this section:
 - (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - (2) Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires.
 - (3) Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by **you**, or operated under **your** control;
 - (4) Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - (5) Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

- b. Does not mean or include:
 - (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
 - (2) Defects, erasures, errors, limitations or viruses in computer equipment and programs including the inability to recognize and process any date or time or provide instructions to **covered equipment**;
 - (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
 - (4) Damage to any vacuum tube, gas tube, or brush;
 - (5) Damage to any structure or foundation supporting the **covered equipment** or any of its parts;
 - (6) The functioning of any safety or protective device; or
 - (7) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.
2. **“Business Income”** means the:
 - a. Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - b. Continuing normal operating expenses incurred, including payroll.
3. **“Business Income Actual Annual Value”** means the sum of the net income and continuing normal operating expenses incurred, including payroll that would have been earned had the **breakdown** not occurred.
4. **“Computer Equipment”** means:
 - a. **Your** programmable electronic equipment that is used to store, retrieve and process data; and
 - b. Associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission.
 - c. It does not include **data or media**.
5. **“Covered Cause of Loss”** means a **breakdown** to **covered equipment**.
6. **“Covered Equipment”**:
 - a. Means and includes any property built to operate under vacuum or pressure, other than weight of contents or used for the generation, transmission or utilization of energy.
 - b. Does not mean or include any:
 - (1) **Media**;
 - (2) Structure, foundation, cabinet or compartment;
 - (3) Insulating or refractory material;
 - (4) Equipment manufactured by **you** for sale;
 - (5) Catalyst;
 - (6) Sewer piping, underground vessels or piping, any piping forming a part of a sprinkler system or any water piping other than:
 - (a) Boiler feed water piping
 - (b) Boiler condensate return piping, or
 - (c) Water piping forming a part of a refrigerating or air conditions system;
 - (7) Vehicle, **aircraft**, floating vessel including or any equipment mounted on such vehicle, **aircraft** or floating vessel; or
 - (8) Dragline, excavation, or construction equipment
7. **“Data”** means:
 - a. Programmed and recorded material stored on **media**; and
 - b. Programming records used for electronic data processing, or electronically controlled equipment.
8. **“Extra Expense”** means the net additional cost **you** incur to operate **your** business during the **period of restoration** over and above the cost that **you** normally would have incurred to operate the business during the same period had no **breakdown** occurred.
9. **“Hazardous Substance”** means any substance other than ammonia that has been declared to be hazardous to health by a government agency.
10. **“Media”** means electronic data processing or storage media such as films, tapes, discs, drums or cells.
11. **“One Breakdown”** means if an initial **breakdown** causes other **breakdowns**, all will be considered **one breakdown**. All **breakdowns** at any one **premises** that manifest themselves at the same time and are the direct result of the same cause will be considered **one breakdown**.

12. **“Period of Restoration”** means the period of time that:
 - a. Begins at the time of the **breakdown** or 24 hours before **we** receive notice of **breakdown** whichever is later; and
 - b. Ends (5) five consecutive days after the date when the damaged property is repaired or replaced with reasonable speed and similar quality.
13. **“Stock”** means merchandise held in storage or for sale, raw materials, property in process or finished products including supplies used in their packing or shipping.

C. Specific Conditions Applicable to Machinery Breakdown Insuring Agreements

1. With Respect to Insuring Agreement 3 – Business Income and Extra Expense:

- a. **Damaged Media or Damaged Data.** If **media** are damaged or **data** are lost or corrupted, **we** will pay **your** actual loss of **business income** and/or **extra expense** during the time necessary to:
 - (1) Research, replace or restore the damaged **media** or lost or corrupted **data**; and
 - (2) Reprogram instructions used in any covered **computer equipment**.
- b. There shall be no coverage for any **media** or **data** that **we** determine is not or cannot be replaced or restored.
- c. **We** will pay the lesser of **your** actual loss of **business income** and/or **extra expense** up to 30 days after the **period of restoration** or \$25,000.

2. With Respect to Insuring Agreement 4 – Perishable Goods/Spoilage Damage:

- a. The raw materials, property in process or finished products must be in storage or in the course of being manufactured;
- b. **You** must own or be legally liable under written contract for the raw materials, property in process or finished products; and
- c. The spoilage damage must be due to the lack or excess of power, light, heat, steam or refrigeration.

3. With Respect to Insuring Agreement 5 – Service Interruption:

- a. The interruption is the direct result of a **breakdown** to **covered equipment** owned, operated or controlled by the local private or public utility or distributor that directly generates, transmits, distributes or provides utility services which **you** receive;
- b. The **covered equipment** is used to supply electric power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam to **your premises**; and
- c. The interruption of utility service to **your premises** lasts at least the consecutive period of time of twenty-four (24) hours. Once this waiting period is met, coverage will commence at the initial time of the interruption and will be subject to all applicable deductibles.

4. With Respect to Insuring Agreement 6 – Newly Acquired Premises:

- a. **You** must inform **us**, in writing, of the newly acquired **premises** as soon as practicable;
- b. The coverage for these **premises** will be subject to the same terms, conditions, exclusions and limitations as other insured **premises**.

5. **With Respect to Insuring Agreement 7 – Ordinance or Law:**

a. **We will pay for:**

- (1) The loss in value of the undamaged portion of the building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of undamaged parts of the same building or structure;
- (2) **Your** actual cost to demolish and clear the site of the undamaged parts of the same building or structure as a consequence of enforcement of an ordinance or law that requires the demolition of such undamaged property; and
- (3) The increased cost actually and necessarily expended to:
 - (i) Repair or reconstruct the damaged or destroyed portions of the building or structure; and
 - (ii) Reconstruct or remodel the undamaged portion of that building or structure with buildings or structures of like materials, height, floor area, and style for like occupancy, whether or not demolition is required on:
 - (1) The same **premises** or on another **premises** if **you** so elect. However if **you** rebuild at another **premises**, the most **we** will pay is the increased cost of construction that **we** would have paid to rebuild at the same **premises**; or
 - (2) Another **premise** if the relocation is required by the ordinance or law. The most **we** will pay is the increased cost of construction at the new **premises**.

b. **We will not pay for:**

- (1) Demolition or site clearing until the undamaged portions of the buildings or structures are actually demolished;
- (2) Increase in loss until the damaged or destroyed buildings or structures are actually rebuilt or replaced and approved by the regulating government agency;
- (3) Loss due to any ordinance or law that:
 - (i) **You** were required to comply with before the loss, even if the building was undamaged; and
 - (ii) **You** failed to comply with;
- (4) Increase in the loss, excess of the amount required to meet the minimum requirement of any ordinance or law enforcement at the time of the **breakdown**; or
- (5) Increase in loss resulting from a substance declared to be hazardous to health or environment by any government agency.

c. **If**

- (1) The building or structure is damaged by a **breakdown** that is covered under this policy and there is other physical damage that is not covered under this policy and the building damage in its entirety results in enforcement of ordinance or law, then **we** will not pay the full amount of the loss under this section. Instead, **we** will pay only that proportion of such loss; meaning the proportion that the covered **breakdown** loss bears to the total physical damage.
- (2) But if the building or structure sustains direct physical damage that is not covered under this section and such damage is the subject of the ordinance or law, then there is no ordinance or law coverage under this section even if the building has also sustained damage by a covered **breakdown**.

6. **With Respect to Insuring Agreement 8 – Errors and Omissions:**

- a. No insurance is provided as a result of any error or unintentional omission by **you** in the reporting of values or the coverage **you** requested.
- b. It is a condition of this policy that such errors or unintentional omissions shall be reported and corrected when discovered. The policy member contribution will be adjusted accordingly to reflect the date the **premises** should have been added had no error or omission occurred.

D. Exclusions Applicable to Machinery Breakdown Insuring Agreements

1. **We** will not pay for loss or damage caused directly or indirectly by any of the following items. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. The exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.
 - a. Increase in loss from the enforcement of any ordinance, law, rule, regulation or ruling which restricts or regulates the repair, replacement, alteration, use, operation, construction, installation, clean-up or disposal of **covered property**.
 - b. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action;
 - c. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
 - d. Nuclear reaction or radiation, or radioactive contamination, however caused.
 - e. War, including undeclared or civil war; warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
 - f. Explosion (except from steam or centrifugal explosion);
 - g. Fire (including fire resulting from a **breakdown**); or water or other means used to extinguish a fire;
 - h. Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
 - i. Breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse; or molten material;
 - j. Water damage resulting from a **breakdown**, unless otherwise shown as covered.
 - k. Depletion, deterioration, corrosion, erosion, or wear and tear, or other gradually developing conditions. But if loss or damage from a **breakdown** results, **we** will pay the resulting loss or damage;
 - l. Lightning; windstorm or hail, smoke; **aircraft** or vehicles; riot or civil commotion; vandalism; or sprinkler leakage;
 - m. A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or an insulation breakdown test of any type of electrical equipment;
 - n. A delay in, or an interruption of any business, manufacturing or processing activity except as provided by the business income and extra expense, and service interruption Insuring Agreements;
 - o. With respect to business income and extra expense, and service interruption Insuring Agreements, the following additional exclusions shall apply:
 - (1) The business that would not or could not have been carried on if the **breakdown** had not occurred;
 - (2) **Your** failure to use due diligence and dispatch and all reasonable means to operate **your** business as nearly normal as practicable at the **premises** shown in the **schedule of values**; or
 - (3) The suspension, lapse or cancellation of a contract following a **breakdown** extending beyond the time business could have resumed if the contract had not lapsed, been suspended or canceled.
 - p. Lack or excess of power, light, heat, steam or refrigeration except as provided by the business income and extra expense, and service interruption Insuring Agreements.

- q. With respect to service Interruption Insuring Agreement, any loss resulting from the following additional causes of loss whether or not coverage for that cause of loss is provided by another policy **you** have:
- (1) Acts of sabotage;
 - (2) Collapse;
 - (3) Deliberate act(s) of load shedding by the supplying utility;
 - (4) Freezing caused by cold weather;
 - (5) Impact of **aircraft**, missile or vehicle;
 - (6) Impact of objects falling from an **aircraft** or missile;
 - (7) Lightning;
 - (8) Riot, civil commotion or vandalism;
 - (9) Sinkhole collapse;
 - (10) Smoke; or
 - (11) Weight of snow, ice or sleet.
- r. Any indirect result of a **breakdown** to **covered equipment** except as provided by the business income and extra expense, perishable goods/spoilage damage and service interruption Insuring Agreements.
- s. Neglect by **you** to use all reasonable means to save and preserve **covered property** from further damage at and after the time of the loss.
- t. The most **we** will pay for any and all Insuring Agreements for loss or damage from any **one breakdown** is the applicable limits of indemnification shown in the declarations pages. Any payment made will not be increased if more than one **insured** is shown in the declarations pages. For each Insuring Agreement listed, if:
- (1) A limit is shown in the declarations pages, the Limits of Indemnification is part of, not in addition to, the limit per **breakdown**.
 - (2) A limit is shown in the declarations pages, **we** will not pay more than the limit of indemnification for each such Insuring Agreement.
- u. For any **covered equipment** that is:
- (1) Used solely to supply utility services to **your premises**; owned by a public or private utility; not in **your** care, custody or control and for which **you** are legally liable; and covered under this section:
 - (2) The limit of indemnification for property damage stated in the declarations pages is deleted and replaced by the sum of one dollar.
- v. Unless a higher limit is shown in the declarations pages, the most **we** will pay for direct damage as a direct result of a **breakdown** to **covered equipment** is \$25,000 for each of the following. The limits are part of, not in addition to, the limits of indemnification for property damage or limit per **breakdown**.
- (1) **Ammonia Contamination.** The spoilage to **covered property** contaminated by ammonia, including any salvage expense.
 - (2) **Consequential Loss.** The reduction in the value of undamaged **stock** parts of a product which becomes unmarketable. The reduction in value must be caused by a physical loss or damage to another part of the product.
 - (3) **Data and Media.** **Your** cost to research, replace or restore damaged **data** or **media** including the cost to reprogram instructions used in any **computer equipment**.
 - (4) **Hazardous Substance.** Any additional expenses incurred by **you** for the clean-up, repair or replacement or disposal of **covered property** that is contaminated by a **hazardous substance**. As used here, additional expenses mean the additional cost incurred over and above the amount that **we** would have paid had no **hazardous substance** been involved with the loss. Ammonia is not considered to be a **hazardous substance** as respects this limitation. This applies despite the operation of the ordinance or law exclusion.
 - (5) **Water Damage.** The damage to **covered property** by water including any salvage expenses, except no insurance applies to such damage resulting from leakage of a sprinkler system or domestic water piping.

SECTION VII - CRIME INSURANCE

A. Insuring Agreements Applicable to Crime Insurance

1. **Employee Dishonesty or Fraud.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay the **named insured**, or on its behalf, for loss of money, securities, and other financial instruments or theft of **your** property by an **employee** sustained by the **named insured** resulting directly from one or more **dishonest or fraudulent acts** committed by an **employee** of the **named insured**, acting alone or in collusion with others.
2. **Loss Inside the Premises.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay the **named insured**, or on its behalf, for loss of the money and securities of the **named insured** by the actual destruction, disappearance, or **wrongful taking** within the **premises**.
3. **Loss Outside the Premises.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay the **named insured**, or on its behalf, for loss of the money and securities of the **named insured** by the actual destruction, disappearance, or **wrongful taking** thereof, outside the **premises** while being conveyed by a **messenger** or any armored motor vehicle company.

B. Definitions Applicable to Crime Insuring Agreements

1. "Dishonest or Fraudulent Acts" means acts committed by an **employee** of the **named insured** which
 - a. cause the **named insured** to sustain such loss; or
 - b. results in financial benefit to the **employee** or another person or organization intended by the **employee** to receive such benefit not otherwise entitled to.
2. "Employee" shall be as defined by the Idaho Tort Claims Act (Idaho Code, chapter 9, title 6).
3. "Messenger" means any **employee** who is duly authorized by the **named insured** to have the care and custody of an **insured** property outside the **premises**.
4. "Premises" means the interior of that portion of any building which is occupied by the **named insured** in conducting its business.
5. "Wrongful Taking" means an unauthorized conversion or theft of money, securities, money orders, counterfeit currency, depositor's forgery or other financial instruments, whether or not proven in a court of law.

C. Specific Conditions Applicable to Crime Insuring Agreements

1. **All Incidents - One Loss.** All losses incidental to an actual or attempted fraudulent, dishonest, or criminal act, or series of related acts, whether committed by one or more persons, shall be deemed one loss. The applicable limits of indemnification stated in the declarations pages are the total limit of **our** liability with respect to all losses arising out of any one occurrence.
2. **Policy in Lieu of Public Officials Surety Bond.** Insurance under this section shall be deemed to provide insurance compliant with provisions of Idaho Code §59-804 for the terms and responsibilities of public officials or **employees** to the extent required by the Idaho Code bonding requirements for public officials.
3. **Limits of Indemnification for Multiple Policy Periods.** **Our** total liability is limited to the total amount specified in the declarations pages of this policy for all losses caused by any **employee** or in which such **employee** is concerned or implicated. Regardless of the number of years this policy shall continue in force and the number of member contributions which shall be payable or paid, the limits of indemnification specified in the declarations pages shall not be cumulative from year to year or period to period. The maximum total loss paid to any **named insured** shall not exceed the limits of indemnification stated in the policy year during which a claim is made.

4. **Loss Caused by Unidentified Employees.** If a loss is alleged to have been caused by the fraud or dishonesty of any one or more **employees**, and the **named insured** shall be unable to designate the specific **employee** or **employees** causing such loss, the **named insured** shall nevertheless have the benefit of Insuring Agreement 1, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more **employees** of the **named insured**.
5. **Ownership Interest.** Money, securities, and other financial instruments may be covered by this policy whether owned by the **named insured** or held by the **named insured** in its care, custody, or control.
6. **Recoveries.** To the extent that a loss of the **named insured** exceeds the limits of indemnification applicable to this section, the **named insured** shall be entitled to recoveries from third parties until the **named insured** is fully reimbursed. Any remaining recovery shall be paid to **us**. Audit fees incurred by **us** toward establishing **your** loss values will be deducted from the ultimate net loss.

D. Exclusions Applicable to Crime Insuring Agreements

1. **All Crime Insuring Agreements of this Section do not provide coverage for:**
 - a. Any claim or loss more specifically covered under any other section of this policy.
 - b. Any claim for the potential income or increase including, but not limited to, interest and dividends, not realized by the **named insured** because of a loss covered under this section.
 - c. Any claim for costs, fees, or other expenses incurred by the **named insured** in establishing the existence of, or amount of loss, covered under this section.
 - d. Any claim for the funds collected or retained for any state or Federal agency pursuant to requirements established by law or pursuant to a mutual agreement.
 - e. Any loss claimed involving conduct more than two (2) years prior to the date of the claim.
2. **Crime Insuring Agreement 1 does not cover:**
 - a. Any loss, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation.
 - b. Any claim of loss concerning any fiscal year wherein financial records of the political subdivision have not been timely audited by a certified public accountant in accordance with the requirements of Idaho Code §67-450B or §67-450C, as appropriate.
3. **Crime Insuring Agreement 2 does not provide coverage for:**
 - a. Any claim or loss due to any fraudulent, dishonest, or criminal act by any **employee**, director, trustee, or authorized representative of the **named insured**, while working or otherwise, and whether acting alone or in collusion with others.
 - b. Any claim or loss due to:
 - (1) The giving or surrendering of money or securities in any exchange or purchase; or
 - (2) Accounting or arithmetical errors or omissions; or
 - (3) Manuscripts, books of account, or records; or
 - (4) Presentation or acceptance of any check returned for insufficient funds.
 - c. Any claim or loss of money contained in coin operated amusement devices or vending machines, unless the amount of money deposited within the device or machine is recorded by a continuous recording instrument therein.

4. **Crime Insuring Agreement 3 does not provide coverage for:**

- a. Any claim or loss due to any fraudulent, dishonest, or criminal act by any **employee**, director, trustee, or authorized representative of the **named insured**, while working or otherwise, and whether acting alone or in collusion with others.
- b. Any claim or loss due to:
 - (1) The giving or surrendering of money or securities in any exchange or purchase;
 - (2) Accounting or arithmetical errors or omissions; or
 - (3) Manuscripts, books of account, or records.
- c. Any insured claim or loss of money, securities, and other financial instruments of the **named insured** while in the custody of any armored motor vehicle company, except as excess policy over amounts recovered or received by the **named insured** under:
 - (1) The contract of the **named insured** with said armored motor vehicle company;
 - (2) Insurance carried by said armored motor vehicle company for the benefit of users of its services; and
 - (3) All other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armored motor vehicle company's service.

SECTION VIII – AUTOMOBILE LIABILITY INSURANCE

A. Automobile Liability Insuring Agreements

1. **Automobile Liability.** *We* agree, subject to the conditions and exclusions of this section, to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** because of **bodily injury** or **property damage** caused by an **accident** and arising out of the ownership, maintenance, use, loading or unloading, of an **insured automobile**.
2. **Automobile Medical Payments.** *We* agree, subject to the conditions and exclusions of this section, to **pay medical expenses** incurred within the policy period and within ten (10) days of an **automobile accident** as shall be necessary on account of **bodily injury** caused by an **accident** in a vehicle owned or rented to an **insured**. Any such **medical expenses** must be reported within one hundred and eighty (180) days of the **accident**.
3. **Uninsured or Underinsured Motorists.**
 - a. *We* agree, subject to the conditions and exclusions of this section, to pay **damages** for **bodily injury** which an **insured** is legally entitled to recover from the owner or operator of an **uninsured automobile** or **underinsured automobile**. The **bodily injury** must be caused by **accident** and arise out of the ownership, maintenance, or use of an **uninsured automobile** or **underinsured automobile**. This policy will pay under this Insuring Agreement only after the limits of liability under any applicable bodily injury liability policies or bonds have been exhausted in payments, settlements, or judgments and after all worker's compensation benefits an employee may be entitled to have been paid.
 - b. The limits of indemnification shall be reduced by:
 - (1) All sums paid because of **bodily injury** by or on behalf of persons or organizations who may be legally responsible for causing the **bodily injury** and
 - (2) All sums paid by worker's compensation benefits or similar disability law.

B. Definitions Applicable to Automobile Liability Insurance Agreements

1. "**Insured**" means anyone operating or **occupying** an **insured automobile** with the permission of an **insured**.
2. "**Insured Automobile**" means an **automobile** owned by the **named insured** or a non-owned **automobile** while operated by an **insured** in the course and scope of their duties or such use that is otherwise authorized by the **named insured**.
3. "**Medical Expenses**" means expenses for necessary medical, surgical, x-ray and dental services, ambulance, hospital, professional nursing and funeral services.
4. "**Occupying**" with regard to Insuring Agreements 2 and 3 of this section means an individual who, at the time of the **accident** is in physical contact with an **insured automobile**.
5. "**Underinsured Automobile**" means an **automobile** for which the sum of liability limits of all applicable liability bonds or policies at the time of an **accident** is less than the limits of indemnification applicable to Insuring Agreement 3 of this section.
6. "**Uninsured Automobile**" means an **automobile**:
 - a. To which a **bodily injury** liability bond or policy does not apply at the time of the **accident**.
 - b. For which an insuring or bonding company denies coverage or has become insolvent.
 - c. Which is a hit-and-run **automobile** and neither the driver nor the owner can be identified. The hit-and-run **automobile** must come in contact with an **insured automobile**.

C. Specific Conditions Applicable to Automobile Liability Insurance Agreements

1. **With respect to Insuring Agreements 1, 2 and 3, Auto Liability Insurance of this Section is subject to the following conditions:**
 - a. **Automobiles Owned by Employees or Authorized Volunteers.** An *automobile* owned by an employee or authorized volunteer of the *named insured* is provided auto liability coverage by this section while the *automobile* is being used by an employee or authorized volunteer on official business of the *named insured*. This policy shall be deemed secondary to the policy of the employee's or authorized volunteer's personal insurance, which is deemed to be primary insurance. The intent of this special condition shall not be interpreted to extend this policy to an *automobile* owned by other public or private entities, which are made available to the *named insured* or its employees. For these non-owned *automobiles*, the terms and conditions already contained in this policy shall apply. This specific condition does not apply to volunteers engaged in search and rescue activities as coverage is intended to be primary insurance for search and rescue volunteers only when actively participating in search and rescue mobilizations initiated by the *named insured*.
 - b. **Non-Duplication of Benefits.** There shall be no duplication of payments under this section for Insuring Agreements 1, 2 and 3, respectively, of this policy. Any amounts payable under these respective insuring agreements will be reduced by the amount of any advance payments.
2. **With Respect to Insuring Agreement 2, Automobile Medical Payments Insurance of this Section has the following conditions:**
 - a. **Examinations/Medical Reports.** The injured person may be required to take physical examinations by physicians *we* choose, as often as *we* reasonably require. *We* must be given authorization to obtain medical reports and other records pertinent to any such claim.
 - b. **Notice of Loss.** As soon as possible, any person making a claim under this Insuring Agreement must give *us* written notice. It must include all details *we* may need to determine the amounts payable.
3. **With Respect to Insuring Agreement 3, Uninsured/Underinsured Motorists Insurance of this Section has the following conditions:**
 - a. **Arbitration.** If *we* and any person entitled to recover under Insuring Agreement 3 fail to agree on the amount of *damages* thereof, the amount shall be settled by arbitration. In that event, each party will select an arbitrator. The two arbitrators will then select a third arbitrator. If they cannot agree upon a third arbitrator within thirty (30) days, both parties can ask a district judge in the State of Idaho to select the third arbitrator. Each party will pay the expenses it incurs, and bear the expenses of the third arbitrator equally. Written decisions of any two arbitrators will determine the issues and will be binding. The arbitration will take place pursuant to the Uniform Arbitration Act, Idaho Code Title 7, Chapter 9, unless both parties agree otherwise. Attorney's fees and fees paid to medical and other expert witnesses as part of the arbitration proceeding will not be considered arbitration expenses. These costs and expenses will be paid by the party incurring them.
 - b. **Hit-and-Run Accident.** At *our* request, *you* shall make available for inspection any *automobile* which any *insured* was *occupying* at the time of a hit-and-run *accident*. *You* must also notify a law enforcement agency within twenty-four (24) hours of any hit-and-run *accident*. *You* must also notify *us* of any such hit-and-run *accident* within seven (7) days of any such *accident*. Failure to provide such notice shall be deemed a material and prejudicial breach of this Insuring Agreement 3, and render any insurance provided null and void.
 - c. **Medical Examinations.** The injured person may be required to take, at *our* expense, physical examinations by physicians *we* choose, as often as *we* reasonably require.
 - d. **Non-Binding Judgment.** No judgment resulting from a suit brought without *our* written consent, or which *we* are not a party to, is binding on *us*, either for determining the liability of the *uninsured or underinsured automobile* or owner, or the amount of *damages* sustained.
 - e. **Prejudgment or Pre-Arbitration Award Interest.** Prejudgment or pre-arbitration award interest shall not begin to accrue until the date that the proof of loss is received by *us*.

- f. **Proof of Loss.** A proof of loss must be served upon **us** as soon as practicable following any such **accident** causing the injury in order to determine the amounts payable. Failure to provide such notice shall be deemed a material and prejudicial breach of this Insuring Agreement, and render any insurance provided null and void. Each proof of loss presented shall accurately describe the conduct and circumstances which brought about the injury, state the time and place the injury occurred, state the names of all persons involved, and shall contain the amount of **damages** claimed, together with any and all records that exist pertaining to said injury. Said records shall consist of 1) all police reports pertaining to the **accident** and 2) complete medical and billing records from all institutions (hospitals, rehabilitation facilities, and nursing homes) and physician offices. A signed medical records release form must be provided with the proof of loss giving **us** authorization to obtain additional medical reports and other records pertinent to any such loss.

D. Exclusions Applicable to Automobile Liability Insurance Agreements

1. With respect to Insuring Agreements 1, 2 and 3, Auto Liability Insurance of this Section does not apply:

- a. To any **claim, occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
- b. To any claim of **bodily injury** sustained by any person, including an **insured**, engaged in the maintenance or repair of an **insured automobile**.
- c. To any **claim** that directly or indirectly benefits any worker's compensation or disability benefits insurer.
- d. For **bodily injury** to anyone eligible to receive benefits which are either provided, or are required to be provided, under any worker's compensation, occupational disease, or similar disability law.
- e. To any **claim** arising out of the operation of **mobile equipment**.
- f. For any **automobiles** or **mobile equipment** owned or leased by a **named insured** when the **automobile** or **mobile equipment** is being rented or leased to a third party for compensation.
- g. To any person or organization, or to any agent or employee thereof, operating an automobile sales agency, repair shop, service station, storage garage or public parking place, with respect to any **accident** arising out of the operation thereof.
- h. To any employee with respect to injury to or sickness, disease or death of another employee of the same employer injured in the course of such employment in an **accident** arising out of the maintenance or use of the **automobile** in the business of such employer.
- i. With respect to any hired **automobile**, to the owner or a lessee thereof, other than the **named insured**, nor to any agent or employee or such owner or lessee.
- j. To any **bodily injury** resulting from or arising out of the use of an **automobile** owned by **you** and not insured by **us**.

2. With Respect to Insuring Agreement 1, Auto Liability Insurance of this Section does not apply:

- a. To **property damage** to property rented to, used by, or in the care, custody or control of any **insured**.
- b. To **bodily injury** to any **insured** arising out of or in the course of employment.
- c. To any liability for indemnity or contribution brought by any party for **bodily injury** or **property damage** sustained by any **insured**.

3. **With Respect to Insuring Agreement 2, Automobile Medical Payments of this Section does not apply:**
 - a. To any ***bodily injury*** arising out of or resulting from the operation of an ***insured automobile*** while being used for hire or for a fee.
 - b. To prisoners, inmates, or any other category of persons being detained by an ***insured*** while being transported by ***you***.
4. **With Respect to Insuring Agreement 3, Uninsured/Underinsured Motorists Insurance of this Section does not apply:**
 - a. To any ***insured*** who enters into a settlement with a third party without ***our*** written consent.

SECTION IX – GENERAL LIABILITY INSURANCE

A. Insuring Agreement Applicable to General Liability Insurance

1. **General Liability.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** for **personal injury** or **property damage** which arise out of an **occurrence** during the policy period.

B. Definitions Applicable to General Liability Insuring Agreement

1. **"Fire Suppression Activities"** means the application of water or **fire suppression chemicals** in the attempt to suppress fires or dislocation of materials or destruction of property deemed necessary to suppress fires.
2. **"Fire Suppression Chemicals"** means chemicals prescribed for extinguishing or preventing fires.
3. **"Hostile Fire"** means one which becomes uncontrollable or breaks out from where it was intended to be within **your covered property** and started by **you**.
4. **"Insured"** means:
 - a. The **Named Insured**;
 - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor;
 - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

C. Specific Conditions Applicable to General Liability Insuring Agreement:

1. **Fire Suppression Liability.** Insuring Agreement 1 of this section provides liability coverage for **damages** arising out of **fire suppression activities** by authorized firefighting personnel, provided that all requirements of Insuring Agreement 1 of this section are satisfied. Coverage is limited to \$500,000 per occurrence for claims brought pursuant to the Idaho Tort Claims Act and \$500,000 per occurrence for all other claims brought for **damages** related to **fire suppression activities**. When used by authorized firefighting personnel in the course of **fire suppression activities**, **fire suppression chemicals** will not be considered a **pollutant**. Government imposed penalties or fines, however characterized, assessed to pay the costs of suppressing a fire started by **your fire suppression activities** or for the improper discharge of **fire suppression chemicals** will not be covered under this section. This coverage grant does not apply to fire suppression activities on public land.
2. **Garagekeeper's Liability.** Insuring Agreement 1 of this section provides liability coverage associated with the ownership and operation of storage garages and parking lots of the **named insured** as bailee with respect to an **automobile** left in its custody and control.
3. **Hostile Fire Liability.** Insuring Agreement 1 of this section provides for loss or damage arising out of heat, smoke, or fumes resulting from a hostile fire.
4. **Host/Liquor Liability.** Insuring Agreement 1 of this section provides liability coverage for actions resulting from the provision, sale or distribution of alcoholic beverages, or by reason of any local, state or federal liquor control laws; provided however, all requirements of the Insuring Agreement 1 of this Section are satisfied.
5. **Incidental Medical Liability.** Insuring Agreement 1 of this section provide liability coverage for professional medical services rendered in the course and scope of delivering such services or during medically supervised training related thereto or which should have been rendered to any person or persons (other than employees of the **named insured** injured during the course of their employment) only by any of the following persons acting on behalf of the **named insured**:

- a. Employed or volunteer emergency medical technicians (EMTs), paramedics or first responders.
 - b. Employed or volunteer, nurse practitioners, registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while employed by **you** and while acting within the scope of their duties and responsibilities serving inmates of a jail operated by **you**.
 - c. Volunteer registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while volunteering for **you** and while acting within the scope of their duties and responsibilities, serving as an EMT, paramedic, first responder or ambulance personnel.
 - d. Any other **insured** providing **first aid**.
6. **Sewer Back-up Claims.** Insuring Agreement 1 of this section provides for third-party **claims** for **property damage** arising out of **occurrences** involving sewer line and facilities back-up and related events, for which the **named insured** is responsible by virtue of its negligence; provided that all requirements of Insuring Agreement 1 of this section are satisfied. Notwithstanding the general exclusions stated elsewhere within this policy, this Insuring Agreement extends to mold and other fungus abatement and remediation demonstrated to be a direct result of a sewer back-up related **occurrence** for which **you** are responsible.

D. Exclusions Applicable to General Liability Insuring Agreement

1. With Respect to Insuring Agreement 1, General Liability Insurance of this Section does not apply:

- a. To any **claim, occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
- b. To **personal injury** or **property damage** resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **automobile**.
- c. To **property damage** to property **you** own, rent or occupy; **premises you** sell, give away or have abandoned; property loaned to **you**; and personal property in **your** care, custody and control. This exclusion shall not apply to garagekeeper's liability, as provided in the specific conditions of this section.
- d. To any **damages** claimed for any loss, cost or expense incurred by **you** or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of **your** product, **your** work, or the impaired property if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition.
- e. To any **claim** or **suit** for which the only monetary **damages** sought are costs of **suit** and/or attorney's fees.
- f. To any **claim** relating to **wrongful employment acts** of the employment of any person, including threatened, actual or alleged discrimination or harassment.
- g. To any **claim** or **suit** for **personal injury** arising out of the **administration** of an **employee benefit program**.

SECTION X – LAW ENFORCEMENT LIABILITY INSURANCE

A. Insuring Agreement Applicable to Law Enforcement Liability Insurance

1. **Law Enforcement Liability.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** because of a **wrongful act** or related **wrongful acts** resulting from the performance of **your** duties while providing law enforcement services or **jail operations** services or the administration of **first aid** resulting in **personal injury** or **property damage** during the policy period.

B. Definitions Applicable to Law Enforcement Liability Insuring Agreement

1. **"Jail Operations"** means activities relating to the detention of prisoners, arrestees or detainees at a detention facility, jail, work program, or other facility however described used to hold prisoners, arrestees, or detainees in the charge of an **insured**.
2. **"Personal Injury"** means **bodily injury**, mental anguish, shock, sickness, disease, disability, wrongful eviction, malicious prosecution, humiliation, invasion of rights of privacy, libel, slander or defamation of character, piracy and any infringement of copyright of property, erroneous service of civil papers, assault and battery and disparagement of property. **Personal injury** shall also mean false arrest, false imprisonment, detention, unlawful discrimination and violation of civil rights arising out of law enforcement activities.
3. **"Wrongful Act"** means the actual or alleged negligent performance of a legal duty or responsibility or failure to perform a legal duty or responsibility, respectively, in a tortious manner pursuant to the Idaho Tort Claims Act or unlawful violations of civil rights pursuant to Federal law arising out of public office or position. **Wrongful act** is not a **wrongful employment practice**, as defined elsewhere.

C. Specific Conditions Applicable to Law Enforcement Liability Insuring Agreement

1. **Incidental Medical Liability.** Insuring Agreement 1 of this section provides liability coverage for professional medical services rendered in the course and scope of delivering such services or during medically supervised training related thereto or which should have been rendered to any person or persons (other than employees of the **named insured** injured during the course of their employment) only by any of the following persons acting on behalf of the **named insured**:
 - a. Employed or volunteer emergency medical technicians (EMTs), paramedics or first responders.
 - b. Employed or volunteer, nurse practitioners, registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while employed by **you** and while acting within the scope of their duties and responsibilities serving inmates of a jail operated by **you**.
 - c. Volunteer registered nurses, licensed practical nurses, or nurses otherwise licensed and regulated under the statutes of the State of Idaho, while volunteering for **you** and while acting within the scope of their duties and responsibilities, serving as an EMT, paramedic, first responder or ambulance personnel.

D. Exclusions Applicable to Law Enforcement Liability Insuring Agreement

1. **With Respect to Insuring Agreement 1, Law Enforcement Liability Insurance of this Section does not apply:**
 - a. To any **claim, occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
 - b. To **personal injury** or **property damage** resulting from or arising out of the ownership, maintenance, use or entrustment to others of any **automobile**.

- c. To **property damage** to property **you** own, rent or occupy; **premises you** sell, give away or have abandoned; property loaned to **you**; and personal property in **your** care, custody and control. This exclusion shall not apply to garagekeeper's liability, as provided in the specific conditions of this section.
- d. To any **claim** or **suit** for which the only monetary **damages** sought are costs of **suit** and/or attorney's fees.
- e. To any **claim** relating to **wrongful employment acts** of the employment of any person, including threatened, actual or alleged discrimination or harassment.

SECTION XI - ERRORS AND OMISSIONS INSURANCE CLAIMS MADE ONLY

A. Errors and Omissions Insuring Agreements

1. **Errors and Omissions Liability.** *We* agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on *your* behalf those sums which *you* become legally obligated to pay as **damages** because of a **claim** arising out of a **wrongful act** or related **wrongful acts** against an **insured** which is **first made** in writing to *us* by *you* during this policy period, or any extended reporting period *we* provide. For this insuring agreement, two or more **claims** arising out of a single **wrongful act** or series of related **wrongful acts** shall be treated as a single **claim**. This insuring agreement only applies if the incident(s) did not first occur before the retroactive date as stated in the declarations pages or after the end of this policy period, or any extended reporting period *we* provide.

B. Definitions Applicable to Errors and Omissions Insuring Agreement

1. "**Claim**" means a demand received by *you* for money **damages** alleging a **wrongful act** of a tortious nature by any **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees.
2. "**Insured**" means:
 - a. The **Named Insured**;
 - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
 - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

C. Specific Conditions Applicable to Errors and Omissions Insuring Agreement

1. **Retroactive Date.** All **wrongful acts** must first take place after the applicable retroactive date shown in the declaration pages of this policy and on or before the expiration of this policy period. A **claim** must also be **first made to us** in writing by *you* during the policy period or during any extended reporting period *we* provide pursuant to the specific condition outlined in this section.

D. Exclusions Applicable to Errors and Omissions Insuring Agreement

1. **The Errors and Omissions Insuring Agreement 1 of this Section does not cover any claim:**
 - a. Or **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
 - b. Arising out of any dishonest, fraudulent, or criminal **wrongful acts** committed by any **insured** or at the direction of any **insured**.
 - c. Arising out of the failure to supply water, electrical power, fuel, or any other utilities.
 - d. For which *you* are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a **claim** under any policy or policies, the term of which has commenced prior to the inception date of this policy, or from a **wrongful act** which occurred prior to the applicable retroactive date set forth in the declarations pages of this policy.
 - e. Resulting from a continuing **wrongful act** which first commences prior to the applicable retroactive date set forth in the declarations pages of this policy.

- f. Arising out of law enforcement activities or the performance of law enforcement duties.
- g. For ***bodily injury, personal injury, or property damage.***

SECTION XII – EMPLOYEE BENEFIT PROGRAM LIABILITY INSURANCE CLAIMS MADE ONLY

A. Employee Benefit Program Liability Insuring Agreement

1. **Employee Benefit Program Liability.** We agree, subject to conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** because of a **claim** arising out of a **wrongful act** or related **wrongful acts**, or **personal injury** in the **administration** of an **employee benefit program** against an **insured** which is **first made** in writing to **us** by **you** during this policy period, or any extended reporting period **we** provide. For this insuring agreement, two or more **claims** arising out of a single **wrongful act** or series of related **wrongful acts**, or a **personal injury** offense or a series of related offenses, shall be treated as a single **claim**. This insuring agreement only applies if the incident(s) did not first occur before the retroactive date as stated in the declarations pages or after the end of this policy period, or any extended reporting period **we** provide.

B. Definitions Applicable to Employee Benefit Program Liability Insuring Agreement

1. “**Administration**” means:
 - a. Providing information to employees, including their dependents and beneficiaries, with respect to eligibility for any **employee benefit program**;
 - b. Handling of records in connection with the **employee benefit program**; or
 - c. Affecting, continuing or terminating any employee participation in any **employee benefit program**.
 - d. **Administration** does not mean **your** decision to not offer a particular benefit, plan or program unless that particular benefit is required by law.
2. “**Claim**” means a demand received by **you** for money **damages** alleging a **wrongful act** or **personal injury** of a tortious nature by any **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney’s fees.
3. “**Insured**” means:
 - a. The **Named Insured**;
 - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
 - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

C. Specific Conditions Applicable to Employee Benefit Program Liability Insuring Agreement

1. **Retroactive Date.** All **wrongful acts** or all **personal injury** must first take place on or after the applicable retroactive date shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made** to **us** in writing by **you** during the policy period or during any extended reporting period **we** provide pursuant to the specific condition outlined in this section.

D. Exclusions Applicable to Employee Benefit Program Liability Insuring Agreement

1. **The Employee Benefit Liability Insuring Agreement 1 of this Section does not cover any claim:**
 - a. Or **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.

- b. For which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a **claim** under any policy or policies, the term of which has commenced prior to the inception date of this policy, or from a **wrongful act** or **personal injury** which occurred prior to the applicable retroactive date set forth in the declarations pages of this policy.
- c. Resulting from a continuing **wrongful act** or **personal injury** which first commences prior to the applicable retroactive date set forth in the declarations pages of this policy.
- d. Arising out of law enforcement activities or the performance of law enforcement duties.
- e. For **property damage**.

SECTION XIII – EMPLOYMENT PRACTICES LIABILITY INSURANCE

CLAIMS MADE ONLY

A. Employment Practices Liability Insuring Agreement:

1. **Employment Practices Liability.** *We* agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on *your* behalf those sums which *you* become legally obligated to pay as **damages** because of a **claim** arising from a volunteer, employee, former employee, or applicant for employment resulting from a **wrongful employment practice act** or related **wrongful employment practice acts** against an **insured** which is **first made** in writing to *us* by *you* during this policy period or any extended reporting period *we* provide. For this insuring agreement, two or more **claims** arising out of a single **wrongful employment practice act** or series of related **wrongful employment practice acts** shall be treated as a single **claim**. This insuring agreement only applies if the incident(s) did not first occur before the retroactive date as stated in the declarations pages or after the end of this policy period, or any extended reporting period *we* provide.

B. Definitions Applicable to Employment Practices Liability Insuring Agreement

1. "**Claim**" means a demand received by *you* for money **damages** alleging a **wrongful employment practice act** of a tortious nature by any **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees. A **claim** shall include complaints filed with the Idaho Human Rights Commission (IHRC) and the Equal Employment Opportunity Commission (EEOC). A **claim** also includes employment contract claims premised upon implied employment contracts.
2. "**Insured**" means:
 - a. The **Named Insured**;
 - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
 - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

C. Specific Conditions Applicable to Employment Practices Liability Insuring Agreement

1. **Retroactive Date.** All **wrongful employment practice acts** must take place on or after the applicable retroactive date shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made** to *us* in writing by *you* during the policy period or during any extended reporting period *we* provide pursuant to the specific condition outlined in this section.

D. Exclusions Applicable to Employment Practices Liability Insuring Agreement

1. **The Employment Practices Liability Insuring Agreement 1 of this Section does not cover any claim:**
 - a. Or **occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
 - b. For which *you* are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a **claim** under any policy or policies, the term of which has commenced prior to the inception date of this policy, or from a **wrongful employment practice act** which occurred prior to the applicable retroactive date set forth in the declarations pages of this policy.

- c. Resulting from a continuing **wrongful employment practice act** which commences prior to the applicable retroactive date set forth in the declarations pages of this policy.
- d. Arising out of law enforcement activities or the performance of law enforcement duties.
- e. For **bodily injury, personal injury, or property damage**.

SECTION XIV –SEXUAL MOLESTATION LIABILITY INSURANCE CLAIMS MADE ONLY

A. Insuring Agreement Applicable to Sexual Molestation Liability Insurance

1. **Sexual Molestation Liability.** We agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums **you** become legally obligated to pay as **damages** arising out of a sexual molestation **bodily injury claim** or a series of related sexual molestation **bodily injury claims** against an **insured** which is **first made** in writing to **us** by **you** during this policy period, or any extended reporting period **we** provide. This insurance applies to **bodily injury** only if:
 - a. The **bodily injury** is caused by a sexual molestation incident that takes place or a series of related sexual molestation incidents or victims that take place in the coverage territory as specified in the General Conditions section of this policy; and
 - b. The **bodily injury** caused by a sexual molestation or a series of related sexual molestation incidents or victims did not first occur before the retroactive date shown in the declarations pages or after the end of this policy period; and
 - c. Subject to paragraphs a and b of this subsection, Insuring Agreement 1 will only apply if the first incident of sexual molestation **bodily injury** to the injured person(s) takes place on or after the retroactive date and before the end of the policy period, regardless of the number of victims of sexual molestation, or locations where the sexual molestation takes place involving an injured person(s) that take place over one or more policy periods while insured by **us** and whether such incidents of sexual molestation are committed by the same perpetrator or two or more perpetrators acting in concert, all such **bodily injury** to that injured person(s) will be deemed to be **first made** to **us** in writing by **you** during the policy period when the first of such **claims** is made and will be considered a single **claim**, when arising out of the same incident or a series of related incidents or victims of sexual molestation or abuse **bodily injury**.

B. Definitions Applicable to Sexual Molestation Liability Insuring Agreement

1. "**Bodily Injury**" means bodily injury, sickness, disease, shock, fright, mental injury or anguish, emotional distress, or disability sustained by a natural person, including death resulting from any of these at any time resulting from sexual molestation.
2. "**Claim**" means a **suit** or demand made by or for the injured person for monetary **damages** because of alleged or actual **bodily injury** caused by sexual molestation or abuse.
3. "**Insured**" means:
 - a. The **Named Insured**;
 - b. Any current or former elected or appointed official serving as a volunteer or employee of the **named insured**, as well as any volunteer or employee of the **named insured** while acting within the scope of their duties as such. This does not include any appointed or elected official or employee who is serving the **named insured** as an independent contractor; or
 - c. City or county prosecutors, or appointed city attorneys while serving as independent contractors, in the course and scope of their statutory roles.

C. Specific Conditions Applicable to Sexual Molestation Liability Insuring Agreement

1. **Retroactive Date.** All sexual molestation or abuse **claims** must take place on or after the applicable retroactive date as shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made** to **us** in writing by **you** during the policy period or during any extended reporting period **we** provide pursuant to the specific condition outlined in this section.

D. Exclusions Applicable to Sexual Molestation Liability Insuring Agreement

1. **With Respect to Insuring Agreement 1 Sexual Molestation Liability Insurance of this Section does not apply:**
 - a. To any **claim, occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
 - b. To any **claim** relating to **wrongful employment acts** of the employment of any person, including threatened, actual or alleged discrimination or harassment.
 - c. To any **claim** or suit for which the only monetary **damages** sought are costs of suit and/or attorney's fees.
 - d. Any sexual molestation or abuse **bodily injury claim**:
 - (1.) Based upon, or arising out of, sexual molestation or abuse **bodily injury** which is the subject of any notice given under any policy or policies the term of which has or have expired prior to the inception date of this policy.
 - (2.) Arising out of any sexual molestation or abuse **bodily injury** that first takes place prior to the retro date of this policy.
 - (3.) Caused by any **insured** who is found by a court of law to have committed a criminal act involving sexual molestation or abuse. However, **we** will pay covered **damages** the **named insured** becomes legally obligated to pay as a result of an employee's actions if such obligation is created pursuant to the Idaho Tort Claims Act, another state's similar law or federal law.

SECTION XV –CHEMICAL SPRAYING ACTIVITIES LIABILITY INSURANCE

CLAIMS MADE COVERAGE ONLY

A. Insuring Agreement Applicable to Chemical Spraying Activities Liability Insurance

1. **Chemical Spraying Activities Liability.** *We* agree, subject to the conditions and exclusions of this Insuring Agreement, to pay on **your** behalf those sums which **you** become legally obligated to pay as **damages** because of a **claim** arising out of an **occurrence** for **chemical spraying activities** against an **insured** which is **first made** in writing to **us** by **you** during this policy period, or any extended reporting period **we** provide. For this insuring agreement, two or more **claims** arising out of a single **occurrence** or series of related **occurrences** shall be treated as a single **claim**. All **personal injuries** to one or more persons and/or **property damage** arising out of an **accident** or a continuous or repeated exposure to conditions shall be deemed one **occurrence**. This insuring agreement only applies if the incident(s) did not first occur before the retroactive date as stated in the declarations pages or after the end of this policy period, or any extended reporting period **we** provide.

B. Definitions Applicable to Chemical Spraying Activities Liability Insuring Agreement

1. "**Chemical Spraying Activities**" means the intended dispersal of herbicides, defoliants, insecticides or pesticides or other toxic materials approved by the federal government for the eradication of undesirable plant growth, insects or rodents and the mixing, loading, storage, transportation and disposal of such materials.
2. "**Claim**" means a demand received by **you** for money **damages** alleging a **wrongful act** of a tortious nature by an **insured**. No **claim** exists where the only monetary **damages** sought or demanded are costs of suit and/or attorney's fees.
3. "**Occurrence**" means an **accident** or a continuous or repeated exposure to **chemical spraying activities** which result in **personal injury or property damage** during the policy period and also first commences or was sustained on or after the retroactive date.

C. Specific Conditions to Chemical Spraying Activities Liability Insuring Agreement

1. **Exception to Absolute Pollution Exclusion.** The insurance afforded by this section constitutes an express exception to the Absolute Pollution Exclusion set forth in the General Exclusions section IV of this policy. As an exception to such exclusion, this coverage stands only to pay legally required **damages** for **personal injury or property damage** not to exceed the Limits of Indemnification stated in the policy declarations, and not in any circumstances for natural resource damage claims made or penalties or fines imposed pursuant to state or Federal law.
2. **Retroactive Date.** All **claims** must take place on or after the applicable retroactive date as shown in the declaration pages of this policy and before the expiration of this policy period. A **claim** must also be **first made** to **us** in writing by **you** during the policy period or during any extended reporting period **we** provide pursuant to the specific condition outlined in this section.

D. Exclusions to Chemical Spraying Liability Activities Liability Insuring Agreement

1. To any **claim, occurrence, accident, wrongful act** or **wrongful employment practice act** or other covered loss more specifically covered under any other section of this policy.
2. To any claim or suit for which the only monetary **damages** sought are costs of suit and/or attorney's fees.
3. To any claim for which **you** are entitled to indemnity and/or payment by reason of having given notice of any circumstances which might give rise to a claim under any other policy or policies of insurance.

SECTION XVI -ENDORSEMENTS

THESE ENDORSEMENTS MODIFY THE POLICY.

PLEASE READ THEM CAREFULLY.

Nothing herein contained in any of the listed endorsements shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which these endorsements are attached other than as stated. All other definitions listed in the General Definitions of this Policy apply when not amended within each Endorsement.

SECTION V – PROPERTY AMENDATORY ENDORSEMENT Accidental Discharge of Pollutants Endorsement # 1

Section V – Property is amended by the following:

A. Pollution Exclusion Exception

1. Notwithstanding anything to the contrary contained in the policy to which this endorsement attaches, it is hereby understood and agreed that section V, Property Insurance, is extended to cover “**pollution cost or expense**” related to an otherwise covered **accident** as covered by section V, Property . This endorsement is limited to \$100,000 per occurrence and in the aggregate.

B. Definitions Applicable to Accidental Discharge of Pollutants Endorsement

1. “**Pollution Cost or Expense**” means any cost or expense arising out of costs incurred by **you** to monitor , clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants** related to any otherwise covered claim as defined in section V Property Insurance. This coverage will apply whether this cost is incurred due to a request, order, or suit by any governmental agency or at the discretion of the **named insured**.

C. Exclusions Applicable to Accidental Discharge of Pollutants Endorsement

1. This endorsement does not extend to any landfill, transfer station, trash or recycling collection facility or any other facility designed primarily for the collection of or transfer of refuse or recycling content or the vehicles and **mobile equipment** association with any such described location.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.

SECTION V – PROPERTY AMENDATORY ENDORSEMENT

Terrorism Insurance Physical Damage/Loss Endorsement #2

Section V – Property is amended by the following:

A. Insuring Clause

1. Subject to the terms, limits, conditions and exclusions hereinafter contained, this endorsement insures property as listed in the **schedule of values** attaching to and forming part of this policy (hereinafter referred to as the “Schedule”) against physical loss or physical damage occurring during the period of this policy caused by an Act of Terrorism or Sabotage, as herein defined.
2. For the purpose of this endorsement, an Act of Terrorism means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.
3. For the purpose of this endorsement, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

B. Losses Excluded

1. Loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
3. Loss by seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Act of Terrorism or an Act of Sabotage.
4. Loss or damage caused by confiscation, nationalization, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the **named insured** of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
5. Loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of **pollutants** or contaminants, which **pollutants** and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
6. Loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.
7. Loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.
8. Any fine or penalty or other assessment which is incurred by an **named insured** or which is imposed by any court, government agency, public or civil authority or any other person.
9. Loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses which would otherwise be covered under this endorsement arising from the use of any computer, computer system or computer software program or any

other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

10. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labor unrest, riots or civil commotion.
11. Loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.
12. Loss or damage caused by measures taken to prevent, suppress or control actual or potential terrorism or sabotage unless agreed by ICRMP in writing prior to such measures being taken.
13. Any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working.
14. Loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service.
15. Loss or increased cost as a result of threat or hoax.
16. Loss or damage caused by or arising out of burglary, house - breaking, looting, theft or larceny.
17. Loss or damage caused by mysterious disappearance or unexplained loss.
18. Loss or damage directly or indirectly caused by mold, mildew, fungus, spores or other microorganism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

C. Property Excluded From Terrorism Coverage:

1. Land or land values.
2. Power transmission, feeder lines or pipelines not on the ***named insured's premises***.
3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.
4. ***Aircraft*** or any other aerial device, or watercraft.
5. Any land conveyance, including locomotives or rolling ***stock***, unless such land conveyance is declared hereon and solely whilst located at the property insured herein at the time of its damage.
6. Animals, plants and living things of all types.
7. Property in transit not on the ***named insured's premises***.

D. Conditions

1. **Joint Insureds.** ICRMP's total liability for any loss or losses sustained by any one or more of the ***named insured's*** under this endorsement will not exceed the sum insured shown in the declarations pages. ICRMP shall have no liability in excess of the sum insured whether such amounts consist of insured losses sustained by all ICRM'P's members or any one or more of the ***named insureds***.
2. **Other insurance.** This endorsement shall be excess of any other insurance available to the ***named insured*** covering a loss covered hereunder except such other insurance which is written specifically as excess insurance over this endorsement. When this endorsement is written specifically in excess of other insurance covering the peril insured hereunder, this endorsement shall not apply until such time as the

amount of the underlying insurance, (whether collectible or not), has been exhausted by loss and damage covered by this endorsement in excess of the deductible with respect to each and every covered loss.

3. **Situation.** This endorsement insures property located at the addresses stated in the ***schedule of values*** kept on file with ***us*** via the ICRMP database.
4. **Sum Insured.** ICRMP hereon shall not be liable for more than the endorsement aggregate of fifty million dollars (\$50,000,000) for all ICRMP public entity members combined during any policy year.
5. **Deductible.** Each ***occurrence*** shall be adjusted separately and from each such amount the sum stated in the ***schedule of values*** shall be deducted of ten thousand dollars (\$10,000) per occurrence.
6. **Occurrence.** The term “occurrence” shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism or Sabotage for the same purpose or cause. The duration and extent of any one “occurrence” shall be limited to all losses sustained by the ***named insured*** at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this endorsement unless the ***named insured*** shall first sustain direct physical damage by an Act of Terrorism or an Act of Sabotage prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this endorsement.
7. **Debris Removal.** This endorsement also covers, within the sum insured, expenses incurred in the removal from the insured location of debris of property stated in the ***schedule of values*** damaged by an Act of Terrorism or an Act of Sabotage. The cost of removal of debris shall not be considered in determination of the valuation of the property covered.
8. **Due Diligence.** The ***named insured*** (or any of the ***named insured’s*** agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove an insured property, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.
9. **Protection Maintenance.** It is agreed that any protection provided for the safety of the property insured shall be maintained in good order throughout the currency of this endorsement and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of ICRMP without ***our*** consent.
10. **Valuation.** It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:
 - a. The repairs, replacement or reinstatement (all hereinafter referred to as “replacement”) must be executed with due diligence and dispatch;
 - b. Until replacement has been effected the amount of liability under this endorsement in respect of loss shall be limited to the actual cash value at the time of loss;
 - c. If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this endorsement.
 - d. ICRMP’s liability for loss under this endorsement shall not exceed the smallest of the following amounts:
 - i. The endorsement limit applicable to the destroyed or damaged property,
 - ii. The replacement cost of the property or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss,
 - iii. The amount actually and necessarily expended in replacing said property or any part thereof.

- iv. ICRMP will normally expect the **named insured** to carry out repair or replacement of an insured property, but if the **named insured** and ICRMP agree that it is not practicable or reasonable to do this, **we** will pay the **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred. **We** will only pay **you** up to the limits of indemnification shown in the declarations pages.
11. **Incorrect Declaration Penalty.** If the values declared as stated in the **schedule of values** are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and **you** shall coinsure for the balance.
12. **Notification of Claims.** **You**, upon knowledge of any **occurrence** likely to give rise to a claim hereunder, shall give written advice as soon as reasonably practicable to **us** within seven (7) days of such knowledge of any **occurrence** and it is a condition precedent to the liability of ICRMP that such notification is given by the **you** as provided for by this endorsement. If **you** make a claim under this endorsement **you** must give **us** such relevant information and evidence as may reasonably be required and cooperate fully in the investigation or adjustment of any claim. If required by **us**, **you** must submit to examination under oath by any person designated by **us**.
13. **Proof of Loss.** **You** shall render a signed and sworn proof of loss within sixty (60) days after the **occurrence** of a loss (unless such period be extended by the written agreement of **us**) stating the time, place and cause of loss, **your** interests and all others in the property, the sound value thereof and the amount of loss or damage thereto. If ICRMP has not received such proof of loss within two years of the expiry date of this endorsement, **we** shall be discharged from all liability hereunder. In any claim and/or action, suit or proceeding to enforce a claim for loss under this endorsement, the burden of proving that the loss is recoverable under this endorsement and that no limitation or exclusion of this endorsement applies and the quantum of loss shall fall upon **you**.
14. **Subrogation.** Any release from liability entered into in writing by **you** prior to loss hereunder shall not affect this endorsement or the right of **you** to recover hereunder. In the event of any payment under this endorsement, **we** shall be subrogated to the extent of such payment to all **your** rights of recovery therefore. **You** shall execute all papers required, shall cooperate with **us** and, upon **our** request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. **We** will act in concert with all other interests concerned (including **a named insured**) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:
- a. Any interest, (including **yours**), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this endorsement and in excess of the coverage under this endorsement shall be reimbursed up to the amount of such loss (excluding the amount of the deductible);
 - b. Out of the balance remaining, **we** shall be reimbursed to the extent of payment under this endorsement;
 - c. The remaining balance, if any, shall inure to the benefit of **you**, or any insurer providing insurance primary to this endorsement, with respect to the amount of such primary insurance, deductible, self-insured retention, and/or loss of a type not covered by this endorsement.
 - d. The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the **named insured**, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of **us**, the expense thereof shall be borne by **us**.
15. **Salvage and Recoveries.** All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this endorsement shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

16. **False or Fraudulent Claims.** If **you** shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this endorsement shall become void and all claims and benefit hereunder shall be forfeited.
17. **Misrepresentation.** If **you** have concealed or misrepresented any material fact or circumstance relating to this endorsement, this endorsement shall become void. If **you** are unsure what constitutes material fact(s) or circumstance(s), **you** should consult **your** agent.
18. **Abandonment.** There shall be no abandonment to ICRMP of any property.
19. **Inspection and Audit.** ICRMP or its agents shall be permitted but not obligated to inspect the property at any time. Neither ICRMP's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the **named insured** or others, to determine or warrant that such property is safe. **We** may examine and audit **your** books and records at any time up to two years after the final termination of this endorsement, as far as they relate to the subject matter of this endorsement.
20. **Assignment.** Assignment or transfer of this endorsement shall not be valid except with the prior written consent of ICRMP.
21. **Rights of Third Party Exclusions.** This endorsement is effected solely between the **named insured** and ICRMP. This endorsement shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this endorsement. This clause shall not affect the rights of the **named insured**.
22. **Cancellation by Withdrawing Member/Expulsion.** This endorsement is cancelable by **you** by sending written request of cancellation to **us**. The effective date of the cancellation will be either the date **you** requested or the date **we** received notice, whichever is later. A notice to cancel will be treated as a notice to withdraw from ICRMP. This endorsement is available only through faithful participation as a member of ICRMP. If **you** are expelled or withdraw from ICRMP, all insurance coverage pursuant to this policy is terminated. **You** may be expelled from the program pursuant to the terms and conditions of the Joint Powers Subscriber Agreement effective as of the date of this policy.
23. **Arbitration.** If **you** and **we** fail to agree in whole or in part regarding any aspect of this endorsement, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two (2) chosen shall before commencing the arbitration select a competent and disinterested umpire. The arbitrators together shall determine such matters in which **you** shall so fail to agree and shall make an award thereon and the award in writing of any two (2), duly verified, shall determine the same, and if they fail to agree, they will submit their differences to the umpire. The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.
24. **Several Liability.** ICRMP's obligations under this endorsement are several and not joint and are limited solely to their individual policies.
25. **Legal Action Against ICRMP.** No one may bring a legal action against ICRMP unless:
 - a. there has been full compliance by **you** with all of the terms of this endorsement and the ICRMP Joint Powers Subscriber Agreement; and
 - b. the action is brought within two (2) years after the expiry or cancellation of this endorsement.
26. **Material Changes.** **You** shall notify **us** of any change of circumstances which would materially affect this Insurance.
27. **Experts Fees.** This endorsement includes, within the sum insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing an insured property following damage insured under this endorsement.
28. **Law.** As specified in the General Conditions of this policy.

29. **Jurisdiction.** As specified in the General Conditions of this policy.
30. **Service of Suit.** This service of suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this endorsement. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such arbitration provision for resolving disputes arising out of this endorsement. It is agreed that in the event of the failure of **us** hereon to pay any amount claimed to be due hereunder, **we** hereon, at the request of the **named insured**, will submit to the jurisdiction of a court of competent jurisdiction within Idaho. Nothing in this clause constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any court of competent jurisdiction in Idaho, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon ICRMP representatives and that in any suit instituted against any one of them upon this endorsement, ICRMP will abide by the final decision of such court or of any appellate court in the event of an appeal.
31. **Legal Service.** Any summons, notice or process to be served upon ICRMP for the purpose of instituting any legal proceedings against it in connection with this endorsement may be served upon the Executive Director of ICRMP who has authority to accept service.
32. **Definitions.** All defined terms are controlled by Section 1, General Definitions and section V, Property, unless otherwise amended or clarified within this endorsement.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.

Cyber and Technology Liability Endorsement # 3

THIS ENDORSEMENT IS LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST YOU AND REPORTED IN WRITING TO US DURING THE POLICY PERIOD. CLAIM EXPENSES ARE WITHIN AND REDUCE THE LIMIT OF LIABILITY.

I. Insuring Agreements

A. Third Party Liability Coverages

1. Media. **We** will pay on **your** behalf **claim expenses** and **damages** that **you** are legally obligated to pay as the result of a **claim first made** against **you** during the policy period or extended reporting period (if applicable) alleging a **media wrongful act** by **you**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
2. PCI DSS Coverage. **We** will reimburse **you** for **PCI DSS fines and costs** that **you** are legally obligated to pay as the result of a **claim first made** against **you** during the policy period alleging a **PCI DSS wrongful act** by **you** or an **outsourced provider**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$100,000.
3. Privacy and Cyber Security. **We** will pay on **your** behalf **claim expenses** and **damages** that **we** are legally obligated to pay as the result of a **claim first made** against **you** during the policy period or extended reporting period (if applicable) alleging a **privacy and security wrongful act** by **you**, an **outsourced provider** or a **rogue employee**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
4. Privacy Regulatory Defense, Awards and Fines. **We** will pay on **your** behalf **claim expenses** and **regulatory damages** that **we** are legally obligated to pay as the result of a **privacy regulatory action**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
5. Supplemental Third Party Liability Prevention. Upon **our** exhaustion of the retention applicable to this endorsement under which **we** are providing coverage, **we** will pay for **claim avoidance costs**, at **our** sole discretion that **we** thereafter incur as a direct result of **our** reasonable investigation of a potentially covered circumstance that **you** report to **us**. Notice of such **claim avoidance costs** will be part of, and not in addition to, the limit of liability, as stated in the Declarations page, and will in no way serve to increase or supplement such aggregate limit of liability. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

B. First Party Coverages

1. Data Recovery. **We** will reimburse **you** for **data recovery expenses** that **you** incur directly resulting from a **cyber-security breach**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.
2. Cyber-Extortion. **We** will reimburse **you** for **cyber-extortion expenses** that **you** incur directly resulting from and in response to a **cyber-extortion threat**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

C. Data Breach Response and Crisis Management Coverage.

1. **We** will pay **data breach response and crisis management costs** that **you** incur resulting from a **data breach** for a continuous twelve (12) month period beginning as soon as notice of the **data**

breach is first provided to **us** by **you**. Provided, however, coverage under this Insuring Agreement is **sublimited** to \$1,000,000 with a Combined Aggregate Endorsement Limit of \$4,000,000.

D. Conditions.

1. The coverage provided under Media, Privacy and Cyber Security and Privacy Regulatory Defense, Awards and Fines shall apply only if:
 - a) the first such **third party wrongful act** or **related matter** occurs on or after the **retroactive date** as stated in Declarations pages and prior to the Policy expiration date, as stated in the Declarations page;
 - b) prior to the Policy's effective date on the declarations page, or that of the first such policy issued and continuously renewed by **us**, of which this endorsement is a renewal, no executive officer knew or could have reasonably foreseen that such **third party wrongful act** or **related matter** did or likely would result in a **claim**;
 - c) the **claim** is reported to **us** during the policy period or extended reporting period (if applicable) and is reported in accordance with the endorsement provisions; and
 - d) notice of such **third party wrongful act** or **related matter** alleged or contained in any **claim** or in any circumstance has not been provided under any other prior policy of which this endorsement is a renewal or replacement, or any subsequent policy, irrespective of whether such prior or subsequent policy was issued by **us** or other entity.
2. The coverage provided under First Party Coverages and Data Breach Response and Crisis Management Coverage shall apply only if:
 - a) an executive officer first becomes aware of such **first party incident** or **related matter** during the policy period;
 - b) such **first party incident** is reported to **us** during the policy period or automatic extended reporting period (if applicable) and is reported in accordance with the endorsement; and
 - c) notice of such **first party incident** or **related matter** has not been provided under any prior policy of which this endorsement is a renewal or replacement, or any subsequent endorsement, irrespective of whether such prior or subsequent policy was issued by **us** or other entity.

II. **Defense and Settlement**

A. Defense.

1. **We** have the right and duty to defend any **claim** seeking **damages** covered under Media, Privacy and Cyber Security and Privacy Regulatory Defense, Awards and Fines made against **you** even if the allegations in the **claim** are groundless, false or fraudulent. **We** will select and appoint defense counsel.

B. Settlement.

1. **We** have the right to settle a **claim**. All such payments by **us** are subject to Liability and Retention limits as stated in the declarations pages. Notwithstanding the foregoing, **we** shall have the right but not the duty to participate in the continuing defense of such **claim**.

III. **Limit of Liability and Retention**

A. Limit of Liability Option. **We** shall elect the endorsement limits to apply on a Combined Limits or Separate Limits basis.

1. Combined Limits

- a) If **we** elect Combined Limits then the endorsements Combined Policy Aggregate Limit is **our** maximum liability for loss under all Insuring Agreements combined, inclusive of **data breach response and crisis management costs** regardless of the number of **claims**, Insuring Agreements triggered or individuals or entities making **claims**. Upon exhaustion of such limit of liability, **we** will not be liable to pay any further loss with respect to this endorsement.
 - b) If a **sublimit** with respect to an Insuring Agreement is stated, then such **sublimit** will be **our** maximum liability for loss with respect to such Insuring Agreement. Upon exhaustion of such **sublimit**, **we** will not be liable to pay any further loss with respect to the coverage provided by the subject Insuring Agreement. Each **sublimit** will be part of, and not in addition to, this endorsement's Combined Policy Aggregate Limit of Liability and will in no way serve to increase or supplement such limit of liability. All payments made under a **sublimit** will reduce such limit of liability.
2. Separate Limits. If **we** elect Separate Limits then the Endorsement's:
- a) Third and First Party Aggregate Limit, on the Declarations page and the PCI DSS Coverage **sublimit** as stated, is **our** maximum liability for all **damages, claim expenses, regulatory damages, PCI DSS Fines and Costs, loss of business income, extra expense, data recovery expenses, cyber-extortion expenses** and **claim avoidance costs** for all Third Party Liability Coverages and First Party Coverages, regardless of the number of **insureds, claims, first party incidents**, or individuals or entities making **claims**. If a **sublimit** with respect to an Insuring Agreement is stated then such **sublimit** will be **our** maximum liability for loss with respect to such Insuring Agreement. Upon exhaustion of such **sublimit**, **we** will not be liable to pay any further loss with respect to the coverage provided by the subject Insuring Agreement. Each **sublimit** will be part of, and not in addition to, the Policy's Third Party Liability and First Party Aggregate Limit of Liability and will in no way serve to increase or supplement such limit of liability. All payments made under a **sublimit** will reduce such limit of liability.
3. Data Breach Response and Crisis Management Aggregate Limit of Liability
- a) Data Breach Response and Crisis Management Aggregate Limit is **our** maximum liability for all **data breach response and crisis management costs** for Data Breach Response and Crisis Management Coverage regardless of the number of **data breaches**.
4. Exhaustion of Limit
- a) Upon exhaustion of the Combined Policy Aggregate Limit of Liability under the Combined Limits option or the Third Party and First Party Aggregate Limit of Liability or the Data Breach Response and Crisis Management Aggregate Limit of Liability under the Separate Limits option or after **we** may deposit or escrow with a court of competent jurisdiction any amounts remaining in the Endorsement's aggregate limit of liability prior to exhaustion, **we** will not be liable to pay any further loss under the endorsement.

B. Retentions.

1. Solely with respect to coverage provided on a Combined Limits basis, **we** are liable only for that portion of covered **damages, regulatory damages, PCI DSS Fines and Costs** and **claim expenses** resulting from a **third party wrongful act** and for that portion of covered **first party costs** resulting from a **first party incident** that is in excess of the applicable Insuring Agreement's retention amount. If more than a single retention applies to a **claim** and/or **first party incident**, then **you** are responsible for paying the highest applicable retention.
2. Solely with respect to coverage provided on a Separate Limits basis, **we** are liable only for that portion of covered **damages, regulatory damages, PCI DSS Fines and Costs** and **claim expenses** resulting from a **third party wrongful act** and for that portion of any covered **loss of business income, extra expense, data recovery expenses, cyber-extortion expenses, data breach response and crisis management costs** and **claim avoidance costs** resulting from a **cyber-security breach** or **cyber-extortion threat** that is in excess of the applicable Insuring

Agreement's retention amount. If more than a single retention applies to a claim and/or **first party incident**, then **you** are responsible for paying the highest applicable retention.

3. As respects Data Breach Response and Crisis Management Coverage a separate retention will apply and **we** are liable only for that portion of any covered **data breach response and crisis management costs** directly resulting from a **data breach**.

C. Related Matters and Related Losses.

1. Related Third Party Wrongful Acts

- a) Covered **claims** resulting from **related matters** will be treated as a single **claim first made** against **you** at the time the first such **related matter** occurred irrespective of whether such **related matter** occurred prior to or during the policy period and irrespective of the number of **related matters**, the identity or number of **insureds** involved, or the number and timing of such **related matters**.

2. Related First Party Incidents

- a) All **related matters** involving **first party incidents** (other than **cyber-extortion threats**) will be considered a single **first party incident** which shall be deemed to have been discovered on the date on which the earliest such **first party incident** was discovered by **you**.
- b) All **related matters** involving **cyber-extortion threats** will be considered a single **cyber-extortion threat** first occurring on the date the first such **cyber-extortion threats** occurred.

3. Related Loss

- a) All loss will be considered a single loss occurring on the date the first **related matter** giving rise to such loss first occurred or is first discovered, irrespective of the number of **related losses**, the identity or number of **insured's** involved or the number and timing of such **related losses**.

IV. **Definitions**

A. Breach Response Providers means **our** pre-approved breach response providers available upon request.

B. Claim means

1. A written demand for monetary **damages**, services, or injunctive or other non-monetary relief;
2. A civil proceeding for monetary **damages**, services, or injunctive or other non-monetary relief that is commenced by service of a complaint or similar pleading, including any appeal thereof;
3. A mandatory arbitration or other mandatory alternative dispute resolution proceeding for monetary **damages**, services, or injunctive or other non-monetary relief that is commenced by a written demand, including any appeal thereof, or a non-mandatory arbitration or other alternative dispute resolution proceeding to which **we** have consented in writing; and
4. A **privacy regulatory action** with respect Privacy Regulatory Defense, Awards and Fines.

C. Claim Expenses means

1. Reasonable and necessary fees for the defense of a covered **claim** defended by an attorney selected by **us**, for Defense and Settlement as well as other reasonable and necessary fees, costs and expenses that result from the investigation, adjustment, negotiation, arbitration, defense or appeal of a covered **claim**; and
2. Premiums on appeal bonds, attachment bonds or similar bonds, but **we** are not obligated to apply for or furnish any such bond.

D. Claim Avoidance Costs means

1. Those costs incurred by **us** whose intention is to avert a **claim** that may arise from a circumstance **you** report in accordance with Notice of Circumstance.
2. Claim Avoidance Costs do not include:
 - a) payments recoverable by **you**;
 - b) any element of profit for **you**;
 - c) any charge or credit against any fee owed or payable to **you**; and
 - d) costs, fees or other expenses **you** incur to establish or document the existence or amount of **claim avoidance costs**.

E. Confidential Business Information means

1. Any non-public third party business information, whether encrypted or unencrypted, that cannot be lawfully obtained or known by the general public, including trade secrets, customer lists, drawings, financial information and marketing plans that are provided to **you** by a third party.

F. Consumer Redress Amount means that sum of money that **you** are legally obligated to deposit in a fund for the payment of consumer **claims** as the result of a litigated **privacy regulatory action** or by written agreement by the claimant, **you** and **us**.

G. Cyber-Extortion Expenses means

1. Reasonable and necessary money, property or other consideration surrendered as payment by or on behalf of **you** to which **we** have consented, such consent may not be unreasonably withheld, in order to avert or limit a **cyber-extortion threat**; and
2. The reasonable and necessary costs agreed to by **you** and **us** to conduct an investigation to determine the cause and scope of a **cyber-extortion threat**.

H. Cyber-extortion threat means

1. A threat against a **network first made** by a person or group, whether acting alone or in collusion with others, demanding payment or a series of payments in consideration for the elimination, mitigation or removal of the threat during the policy period to:
 - a) disrupt **your** business operations;
 - b) alter, damage, or destroy data stored on the **network**;
 - c) use the **network** to generate and transmit malware to third parties;
 - d) deface **your** website; and
 - e) access **personally identifiable information, protected health information** or **confidential business information** stored on the **network**.

I. Cyber Security Breach means any unauthorized: access to, use or misuse of, modification to the **network**, and/or denial of **network** resources by attacks perpetuated through malware, viruses, worms, and Trojan horses, spyware and adware, zero-day attacks, hacker attacks and denial of service attacks.

J. Damages means

1. Compensatory **damages** resulting from a judgment, award or settlement agreement, including pre-judgment and post-judgment interest, which **you** become legally obligated to pay on account of a covered **claim**; and
2. Punitive and exemplary **damages**, if the insuring of punitive and exemplary **damages** is permitted under the laws and public policy of the jurisdiction under which the endorsement is construed. Enforceability of punitive and exemplary **damages** will be governed by the applicable law that most favors coverage for such punitive and exemplary **damages**.

Damages do not include:

3. the return of any fees paid to **you** or the offset of any future fees to be charged by or owed to **us**;
 4. lost investment income;
 5. costs incurred by **you** to withdraw or recall **technology products**, including products that incorporate an **Insured's technology products, technology services or professional services**;
 6. costs incurred by **you** to correct, re-perform or complete any **technology services or professional services**;
 7. costs incurred by **you** or by a third party at the direction of **us** to remediate, repair, replace, restore, modify, update, upgrade, supplement, correct or otherwise improve a **network** to a level of functionality beyond that which existed prior to a **cyber-security breach**;
 8. civil or criminal fines or penalties or compliance violation remedies imposed on **you**; provided, however, this provision does not apply to the coverage provided under Privacy Regulatory Defense, Awards and Fines;
 9. liquidated damages in a written contract or agreement in excess of **your** liability that otherwise result from a **third party wrongful act**;
 10. the monetary value of an electronic fund transfer or transaction that is lost or diminished during transfer;
 11. any amounts incurred prior to **you** providing notice of a **claim**;
 12. the value of non-monetary relief, including any amount attributable to or arising therefrom; and
 13. royalty or licensing fees or payments.
- K. Data Breach means the actual or reasonably suspected by an executive officer theft, loss or unauthorized acquisition of data, which an executive officer first becomes aware of during the policy period that has or may compromise the security, confidentiality and/or integrity of **Personally Identifiable Information, protected health information or confidential business information**.
- L. Data Breach Response and Crisis Management Costs means
1. Costs charged by **Breach Response Providers** to:
 - a) determine the legal applicability of and actions necessary to respond to a **data breach** reporting requirement;
 - b) perform computer forensics to determine the existence, cause and scope of a **data breach or cyber security breach**;

- c) notify individuals of a **data breach** who are required to be notified pursuant to any **data breach** reporting requirement;
 - d) voluntarily notify individuals of a **data breach** who may not be required to be notified under an applicable **data breach** reporting requirement;
 - e) operate a call center to manage **data breach** inquiries;
 - f) provide credit or identity monitoring and identity protection and restoration services or any similar service for those individuals whose **Personally Identifiable Information** was or may have been breached;
 - g) provide medical identity restoration for those individuals whose **protected health information** was or may have been breached;
 - h) minimize harm to **your** reputation by hiring a public relations or crisis communications firm, and
2. Any reasonable and necessary costs charged by a qualified provider who is not a **Breach Response Providers** and who **we** have consented in writing, such consent may not be unreasonably withheld, prior to the services being rendered to provide comparable services to those detailed in 1.(a) through 1.(h) above; provided, however, the maximum rate **we** will pay for such services shall not exceed the **Breach Response Providers** pre-negotiated rates; and
 3. Costs charged by a PCI Forensics Investigator to perform forensics to determine the existence, cause and scope of a breach or suspected breach of cardholder data.

M. Data Recovery Expenses means

1. Reasonable and necessary costs incurred by **you** with **our** prior written consent, such consent may not be unreasonably withheld, to:
 - a) determine whether damaged or destroyed computer programs, software or electronic data can be replaced, recreated, restored or repaired; and
 - b) replace, recreate, restore or repair such damaged or destroyed computer programs, software or electronic data residing on the **network** to substantially the form in which it existed immediately prior to a **cyber-security breach**.

N. Extra Expense means reasonable and necessary expenses in excess of **your** normal operating expenses that **you** incur to minimize, reduce or avoid **loss of business income**; provided, however, such **extra expense** shall not exceed the amount that would have been incurred as **loss of business income**.

O. First Party Costs means any **loss of business income, extra expense, data recovery expenses, cyber-extortion expenses, data breach response and crisis management costs** and **claim avoidance costs**. **First party costs** do not include any amounts incurred prior to **you** providing notice of the **first party incident**.

P. First Party Incident means a **cyber-security breach, cyber-extortion threat** or **data breach**.

Q. Loss means all **damages, claim expenses, regulatory damages** and **first party costs** and **PCI DSS Fines and Costs**.

R. Loss of Business Income means

1. Net income (net profit or **loss** before income taxes) that could have been reasonably projected to would have been earned or net **loss** that would have been avoided; and

2. Continuing normal and reasonable operating expenses, including payroll. A **loss of business income** calculation is based upon the amount of actual **loss of business income you** sustain per hour during the **period of restoration**.
- S. Matter means the content of any communication of any kind whatsoever, whether public or private, regardless of the nature or form of such content or the medium by which such content is communicated, including but not limited to language, data, facts, fiction, music, photographs, images, artistic expression, or visual or graphical materials.
- T. Media Wrongful Act means
1. Any:
 - a) libel, slander, or any other form of defamation or harm to the character or reputation of any person or entity, including product disparagement or trade libel;
 - b) copyright infringement or misappropriation of property rights, information or ideas or dilution or infringement of title, slogan, trademark, trade name, service mark or service name;
 - c) common law unfair competition or unfair trade practices alleged in conjunction with the acts described above;
 - d) invasion or infringement of the right of privacy or publicity, including the torts of intrusion upon seclusion, publication of private facts, false light, and misappropriation of name or likeness;
 - e) infliction of emotional distress or mental anguish;
 - f) false arrest, detention or imprisonment, harassment, trespass, wrongful entry or eviction, eavesdropping, or other invasion of the right of private occupancy;
 - g) plagiarism, piracy or misappropriation of ideas under implied contract; and
 - h) economic harm to a third party directly resulting from the party's reliance or failure to rely upon the content of **matter** which is false or erroneous, resulting from **your** acquiring, blogging, broadcasting, collecting, disseminating, distributing, editing, exhibiting, gathering, obtaining, producing, publishing, releasing, researching, recording, tweeting or uttering through:
 - i) traditional media such as cable television, radio, movie and music studios, newspapers, magazines, books and print publications; and/or
 - j) digital media such as Internet-based concepts, like website or applications, or digital mediums, such as CD-ROMs and DVDs.
- U. Merchant Services Agreement means an agreement between **you** and a financial institution, credit/debit card company, credit/debit card processor or Independent service operator enabling **you** to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.
- V. Network means a connected system of computing hardware, software, firmware and associated electronic components under the ownership, operation or control of, or leased by **you**.
- W. Outsourced Provider means any third party, including a cloud service provider, to which **you** have contracted to provide **professional services** or to process, maintain or transmit **Personally Identifiable Information, protected health information or confidential business information** on behalf and for the benefit of **you** and for whose acts and omissions **you** are legally responsible.
- X. Period of Restoration means
1. That period of time that begins at the end of the **waiting period** and which continues until the earlier of:

- a) the date **your** operations are restored to the condition that existed immediately prior to the **cyber security breach**; or
 - b) one hundred-twenty (120) days after the date of the **cyber security breach**.
- Y. Personally Identifiable Information means any information, whether printed or digital, encrypted or unencrypted, in an **Insured's** or **outsourced provider's** care, custody or control, that singly or in combination can uniquely identify an individual, including but not limited to such information as name, social security number, address, birth date, physical characteristics, IP address, biometric record, unique mobile device identifier, geo-location data, mobile telephone number, email address, user name, text message or email, call log, contacts and address book entries, financial or payment information, health or medical information, photos or videos or internet browsing history and non-public personal information as defined by the Gramm-Leach-Bliley Act; provided, however, **Personally Identifiable Information** does not include information that is lawfully available to the general public.
- Z. PCI DSS Fines and Costs means monetary fines, fraud recoveries, operational reimbursement and assessments owed by **you** under the contractual obligations of a **Merchant services agreement**. Provided, however, **PCI DSS Fines and Costs** does not mean interchange fees, discount fees or prospective service fees.
- AA. PCI DSS Wrongful Act means any actual or alleged failure to comply with PCI Data Security Standards resulting from a cyber-security breach or **privacy and security wrongful act**.
- BB. Privacy and Security Wrongful Act
- 1. Any:
 - a) **Loss** of or failure to protect **Personally Identifiable Information, protected health information** or **confidential business information**;
 - b) violation of any law, statute or regulation governing the authenticity, availability, confidentiality, storage, control, disclosure, integrity or use of **Personally Identifiable Information** or **protected health information**;
 - c) violation of a **data breach** reporting requirement;
 - d) failure to reasonably implement privacy or security practices required by governmental law or regulations; and
 - e) failure to prevent a cyber-security breach that results in:
 - (1) the inability of an authorized user to gain access to the **network**;
 - (2) the malicious addition, alteration, copy, destruction, deletion, disclosure, damage, removal or theft of data residing on the **network**;
 - (3) a denial of service attack emanating from the **network** which damages or destroys third party's hardware, computer programs or electronic data residing on a third party's **network**; or
 - (4) the transmission of malware from the **network** to third parties.
- CC. Privacy Regulatory Action means a written request for information, civil investigative demand or civil proceeding brought by or on behalf of a governmental or regulatory authority first initiated during the policy period against **you** that results from an actual or alleged **privacy and security wrongful act** by **you**, an **outsourced provider** or a **rogue employee**.
- DD. Privacy Regulatory Fine means a civil monetary fine or penalty imposed on **you** by a governmental or regulatory authority.

- EE. Professional Service means the services stated in this endorsement.
- FF. Protected Health Information means all protected and individually identifiable health information, whether printed or digital, encrypted or unencrypted, held or transmitted by **you** or **your** business associate, as those terms are defined by HITECH, the Health Insurance Portability and Accountability Act of 1996 Privacy Rule or any amendment thereto, including the Health Information Technology for Economic and Clinical Health Act and final Omnibus Rule issued on January 17, 2013.
- GG. Regulatory Damages means any **consumer redress amount** and **privacy regulatory fines**.
- HH. Related Losses means all **losses** that are directly or indirectly based upon, caused by, or result or arise from the same, similar or continuous **claims** or **first party incidents**.
- II. Related Matters means
1. All **third party wrongful acts** that are directly or indirectly based upon, caused by, or result or arise from the same, similar or a continuous nexus of facts, circumstances, acts, errors or omissions, whether logically, causally or otherwise related or connected; and
 2. All **first party incidents** that are directly or indirectly based upon, caused by, or result or arise from the same, similar or a continuous nexus of facts, circumstances, acts, errors or omissions, whether logically, causally or otherwise related or connected.
- JJ. Retroactive Date means the applicable date stated in on the Declarations page for each Insuring Agreement in Third Party Liability Coverages.
- KK. Rogue Employee means **your** employee who deliberately acts outside the course and scope of employment and whose intentional conduct results in a **claim**; provided, however, **rogue employee** does not include an executive officer.
- LL. Sublimit means the applicable amount, if any, stated on the Declarations page for each Insuring Agreement within each Coverage Section.
- MM. Technology and Professional Services Wrongful Act means
1. Any:
 - a) act, error, omission, neglect, negligent misrepresentation or breach of duty;
 - b) injury to a person arising out of defamation, including libel, slander, or other defamatory or disparaging statements or materials;
 - c) infringement of an intellectual property right except as otherwise excluded in Patent and Trade Secrets;
 - d) the failure of **technology products** to perform the intended function or serve their intended purpose; and
 - e) the failure of **technology services, professional services** or **technology products** to meet any applicable legal standard concerning quality, safety or fitness for a particular purpose.
- NN. Technology Products means
1. Computer or telecommunications hardware or software products, components or peripherals or electronic products or components:
 - a) created, designed, distributed, manufactured, or sold by or on behalf and for the benefit of a **named insured**; and

- b) leased or licensed by **you** to third parties, including software updates, service packs and other maintenance releases provided for such products.
- OO. Technology Services means any computer, cloud computing, information technology, telecommunication, electronic services and any related consulting and staffing services including but not limited to data processing, data and application hosting, the provision of managed services, software as a service (SaaS), platform as a service (PaaS), infrastructure as a service (IaaS), **network** as a service (NaaS), computer systems analysis, computer consulting and training, programming, computer systems installation, management, repair, and maintenance, **network** design and Internet service.
- PP. Third Party Wrongful Act means a **technology and professional services wrongful act**, **media wrongful act** and **privacy and security wrongful act** and **PCI DSS wrongful act**.
- QQ. Waiting Period means the number of hours stated on the Declarations page that must elapse prior to commencement of the **period of restoration**.

II. Exclusions

The Policy does not apply to any **claim** or **first party incident** alleging, arising out of, based upon or attributable to:

A. Deliberate Acts

1. Dishonest, intentional or knowing wrongful, fraudulent, criminal or malicious:

- a) acts, errors or omissions; or
- b) willful violations of law, including privacy laws or regulations, by an **Insured**, other than a **rogue employee** as applicable; provided, however, **we** will provide **you** with a defense of any otherwise covered **claim** and pay any otherwise covered **claim expenses** until it has been finally determined that such dishonest, intentional or knowing wrongful, fraudulent, criminal or malicious conduct was committed by **you** or by way of a plea by **you** of guilt or no contest, at which time **you** shall reimburse **us** for all **claim expenses**. Notwithstanding the foregoing, criminal proceedings are not covered under the endorsement regardless of the allegations made against **you**. For the purposes of determining the applicability of this exclusion the knowledge of or conduct by:
 - (1) a natural person insured will not be imputed to any other natural person insured; and
 - (2) an executive officer will be imputed to **you**.

B. Personal Profit

- 1. The gaining of any profit, remuneration, or financial or non-financial advantage by **you** to which **you** would not be entitled; provided, however, **we** will provide **you** with a defense of any otherwise covered **claim** and pay any otherwise covered **claim expenses** alleging any such gain until it has been finally determined that such gain was improper or illegal, at which time **you** shall reimburse **us** for all **claim expenses**.

C. Uninsurable Matters

- 1. **Matters** deemed uninsurable under the law pursuant to which the endorsement is construed.

D. Prior Acts

- 1. **Third party wrongful acts** occurring prior to the **retroactive date** and **first party incidents** discovered prior to the effective date.

E. **Bodily Injury and Property Damage**

1. **Bodily injury**, sickness, disease, emotional distress, mental injury, mental tension, mental anguish, pain and suffering, humiliation or shock sustained by any person, including death that results from any of these, or damage to or destruction of any tangible property, including **loss** of use thereof whether or not it is damaged or destroyed; provided, however, this exclusion will not apply to any otherwise covered **claim** for emotional distress, mental injury, mental tension or mental anguish, pain and suffering, humiliation or shock that directly results from a covered **third party wrongful act**.

F. Employment Practices

1. The following actually or allegedly occurring in connection with a person's employment or application for employment with **you**: discrimination, retaliation, sexual or any other type of harassment, wrongful dismissal, discharge or termination, whether actual or constructive, wrongful discipline, wrongful deprivation of career opportunity, wrongful demotion or change in employment status, wrongful evaluation, negligent hiring, discipline, supervision or retention, failure to promote, failure to grant tenure, employment related misrepresentation, failure to adopt or comply with adequate workplace or employment policies or procedures, failure to train, breach of any oral, written, or implied employment contract; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security.

G. Owned Entity

1. **Claims** made against **you** if, at the time the **third party wrongful act** giving rise to such **claim** was committed:
 - a) **you** controlled, owned, operated or managed the claimant; or
 - b) **you** were an owner, partner, director, officer or employee of the claimant.

H. Insured Versus Insured

1. **Claim** made against **you** and brought by, or on behalf of **you** or parent company, successor or assignee of an **Insured**; provided, however, this exclusion shall not apply to an otherwise covered **claim** made by any past, present or future officer, director, member, principal, partner, trustee, employee or leased worker or temporary employee of **yours**, only outside of their capacity and pursuant to their authority as such.

I. ERISA

1. Breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violations of the responsibilities, obligations or duties imposed upon fiduciaries by ERISA, the Employee Retirement Income Security Act of 1974, or any analogous federal, state or local statutory or common law; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security.

J. Securities

1. The purchase, sale, or offer or solicitation of an offer to purchase, sell or solicit securities or any violation of a securities law, including the Securities Act of 1933, the Securities Exchange Act of 1934, and any regulation promulgated under or pursuant to the foregoing, or any federal, state or local laws analogous to the foregoing (including "Blue Sky" laws), whether such law is statutory, regulatory or common law.

K. RICO

1. Violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act, or "RICO") and any regulation promulgated under or pursuant to the foregoing or any federal, state or local law analogous to the foregoing, whether such law is statutory, regulatory or common law.

L. Antitrust and Unfair Competition

1. Unfair methods of competition and unfair or deceptive acts or practices including deceptive advertising and pricing, price fixing, restraint of trade, monopolization or any violation of the Sherman Act, the Clayton Act, the Robinson-Patman Act, the Federal Trade Commission Act, or any other federal, state or local law, whether statutory, regulatory or common law, addressing anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade; provided, however, this exclusion shall not apply to an otherwise covered **claim** under Privacy and Cyber Security and an otherwise covered **claim** resulting from **Media wrongful act** under Media.

M. Unsolicited Communications

1. Unsolicited electronic dissemination of faxes, e-mails or other communications by or on behalf of **you** to actual or prospective customers of **yours** or any other third party, including but not limited to actions brought under the Telephone Consumer Protection Act, the CAN-SPAM Act of 2003 or other analogous federal, state or local statute, law, regulation or common law; provided, however, this exclusion shall not apply to an otherwise covered **claim** directly resulting from a cyber-security breach under Privacy and Cyber Security.

N. Patent

1. Actual, alleged or attempted infringement, misappropriation, dilution, misuse or inducement to infringe, misappropriate, dilute or misuse any patent or patent right.

O. Trade Secrets

1. Actual, alleged or attempted or misappropriation of trade secrets; provided, however, this exclusion shall not apply to an otherwise covered **claim** directly resulting from a cyber-security breach under Privacy and Cyber Security.

P. Contractual

1. Any obligation **you** have under written contract; provided, however, this exclusion shall not apply to liability **you** would have in the absence of a contract or an **your**:
 - a) breach of an exclusivity or confidentiality provision contained in a written agreement;
 - b) violation of an intellectual property right except a violation of a patent right;
 - c) negligent performance of **technology services** or **professional services** for a client or customer; or
 - d) provision of **technology products** to a client or customer which contain a material defect.
 - e) breach of a **Merchant services agreement**.

Q. Force Majeure

1. Fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, or act of God, however caused.

R. Infrastructure Failure

1. Electrical, mechanical, Internet, telecommunication, cable or satellite failure, fluctuation or outage not under an **Insured's** operational control, however caused, including but not limited to any electrical power interruption, short-circuit, surge, brownout or blackout.

S. Governmental Orders

1. Any court order or demand requiring **you** to provide law enforcement, administrative, regulatory or judicial body or other governmental authority access to **Personally Identifiable Information, protected health information or confidential business information.**

T. Over-Redemption

1. Price discounts, prizes, awards, coupons or any other valuable consideration given in excess of the contracted or expected amount.

U. Unauthorized Collection And Use

1. Unauthorized or unlawful collection, acquisition or use of **Personally Identifiable Information or protected health information**; provided, however, this exclusion shall not apply to a **claim** directly resulting from the acts of a **rogue employee.**

III. Notice

A. Notice Of Circumstance

1. Solely with respect to Media, Privacy and Cyber Security and Privacy Regulatory Defense, Awards and Fines, if during the policy period or the extended reporting period (if applicable), **you** first become aware of any circumstance that may reasonably be expected to be the basis of a **claim** against an **Insured**, and if during the policy period **you** provides **us** written notice of the circumstance along with any **third party wrongful act**, the reasons for anticipating such **claim**, with full particulars as to the dates, persons and entities involved, then any resulting **claim** that is both **first made** against **you** and reported to **us** during the policy period or the extended reporting period (if applicable) that arises out of such circumstance or **related matter** will be considered made at the time such notice of circumstance was provided.

B. Notice Of Claim And First Party Incident

1. **You**, as a condition precedent to the obligations of **ours** under the endorsement, must provide to **us** written notice of any **claim** made against **you** and any **first party incident** discovered as soon as reasonably practicable after an executive officer becomes aware of such **claim** or **first party incident.**

C. Notice To Whom

1. Notice of a **claim** and/or **first party incident** must be provided to **us** and notice of a **third party wrongful act** or circumstance may be reported to **us** as stated in on the Declarations page.
2. In addition to the notice requirement above, notice of a **first party incident** must also be provided to **us** on the Declarations page.
3. The email/certified post mail defined above shall be deemed effective when received by **us.**

D. When A Claim Is Deemed Made

1. A **claim** will be deemed made pursuant to definition of **claim** clause:
 - a) on the earliest date an executive officer receives the first written demand;
 - b) on the date of service; and
 - c) on the date an executive officer receives written notice of such action.

E. Insured's Claim And First Party Incident Obligations

1. In connection with a: **claim**, **you** will, as a condition precedent to the obligations of **us** under the endorsement, provide **us** with all information that **we** reasonably require, including full particulars as to the dates, persons and entities involved in the claim and the manner in which **you** first became aware of the **claim**;
2. **First party incident**, as a condition precedent to the obligations of **us** under the endorsement, **you** will provide **us** proof of loss, duly sworn to, with full particulars, within three (3) months after the first discovery by an executive officer of the **first party incident** (other than a **cyber-extortion threat**) or first occurrence of the **cyber-extortion threat**.

F. Assistance And Cooperation

1. **You** will reasonably cooperate with **us** and upon **our** request: assist **us** in the investigation of any third party wrongful (a) act and **first party incident**.
 - a) attend hearings, depositions and trials;
 - b) assist us in defending and effecting settlements of **claims**;
 - c) secure and provide evidence which includes but not limited to obtain the attendance of witnesses;
 - d) allow **us** to participate in the handling and management of any suit or proceeding;
 - e) assist **us** in enforcing any right, contribution or indemnity against a third party which may be liable to **you**; and
 - f) allow a computer forensics expert access to systems, files and information.
2. **You** will take all reasonable steps to limit and mitigate any **loss** arising from any **third party wrongful act** or **first party incident** for which coverage may be or is sought under the endorsement. **You** will do nothing which in any way increases **our** exposure under the endorsement or in any way prejudices **our** potential or actual rights of recovery.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.

**SECTION IX – GENERAL LIABILITY INSURANCE AMENDATORY
ENDORSEMENT
Public Land Fire Suppression Endorsement #4**

Section IX – General Liability Insurance is amended by the following:

A. Insuring Agreements Applicable to Public Land Fire Suppression Liability

1. Notwithstanding anything to the contrary contained in the policy to which this endorsement attaches, it is hereby understood and agreed that section IX, General Liability Insurance, is extended to pay for legally obligated and statutorily allowable costs imposed by state or federal government agencies specifically related to the suppression of fire only if such costs arise out of a covered **occurrence**. This endorsement is limited to \$500,000 per occurrence and in the aggregate, annually.

B. Exclusions Applicable to Public Land Fire Suppression Liability

1. This endorsement under any circumstance will not pay for penalties or fines imposed pursuant to state or federal law.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.

SECTION IX – GENERAL LIABILITY AMENDATORY ENDORSEMENT Terrorism Liability Coverage # 5

Section IX General Liability is amended by the following:

With respect to Insuring Agreement 1

We agree to pay on **your** behalf those sums which an **insured** becomes legally obligated to pay as **damages** because of **bodily injury** or **property damage** caused by an act of **terrorism**. This coverage is sublimited to \$500,000 per occurrence. The limits of indemnification shall be reduced by all sums paid by worker's compensation benefits or similar disability law if the claimant is **your** employee or volunteer.

For the purpose of this endorsement, **terrorism** means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.

SECTION V – PROPERTY AMENDATORY ENDORSEMENT Asbestos Remediation Endorsement # 6

Section V – Property is amended by the following:

Section V does not cover

- A. Asbestos removal from any good, product or structure unless the asbestos is itself damaged by fire, lightning, **aircraft** impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, leakage or accidental discharge from automatic fire protective system.
- B. Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos;
- C. Any governmental direction or request declaring that asbestos present in or part of or utilized on any undamaged portion of an **insured's** property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated. All other definitions listed in the General Definitions of this Policy apply when not amended within this Endorsement.

ICRMP

Multi-Lines

Insurance Policy

This Policy of Insurance is issued by ICRMP for all public entity Members to be effective 12:01 A.M., October 1, 2016 for one-year thereafter, unless sooner terminated, for all continuing Members pursuant to and consistent with the Joint Powers Subscribers Agreement approved by the ICRMP Board of Trustees to be effective for the policy year beginning at the time above stated.

ICRMP provides access to its program through Idaho independent agents. Our program's growth and stability have been enhanced by the agents we have authorized to work with you. We pay your agent a fixed percentage of the member contribution you pay us. This compensation is to encourage independent agents to recommend ICRMP to public entities and to compensate agents for their services and expertise. If you have questions regarding your agent's compensation please contact us.

**VEHICLE INSURANCE IDENTIFICATION CARD
STATE OF IDAHO**

Idaho Counties Risk Management Program, Underwriters
3100 Vista Avenue, Suite 300, P.O. Box 15249
Boise, Idaho 83715

This Certificate may be used in lieu of the original Contract of Liability Insurance to demonstrate the current existence of liability insurance while such contract is in effect.

**THIS POLICY COVERS ALL VEHICLES
OWNED OR LEASED.**

Policy Number: **36A02181100116** contains minimum liability insurance to meet the requirements of Idaho Code, Section 49-245.

EFFECTIVE DATES:	NAME AND ADDRESS OF INSURED:
October 1, 2016	City of Sun Valley
Continuous	PO Box 416
Until Cancelled	Sun Valley, ID 83353

**KEEP THIS CERTIFICATE IN YOUR VEHICLE AT ALL TIMES
AND MUST BE PRESENTED UPON DEMAND**

CLAIMS AGENT:
Idaho Counties Risk Management Program, Underwriters
P.O. Box 15249
Boise, Idaho 83715
Phone: (208) 336-3100 FAX: (208) 336-2100

**VEHICLE INSURANCE IDENTIFICATION CARD
STATE OF IDAHO**

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CLAIMS AGENT:
Idaho Counties Risk Management Program, Underwriters
P.O. Box 15249
Boise, Idaho 83715
Phone: (208) 336-3100 FAX: (208)336-2100

City of Sun Valley Vehicle Report Agent: **Betty Urbany**Department: **All Departments** Sorted By: **Department** Total Value: **\$3,872,500**

Year: **2001** VIN: **1FMRU16W11LB64687** Make: **Ford**
Model: **Expedition** Value: **\$25,000** Department: **Administrative**
Agent ID: ICRMP ID: **9451** Lienholder: **None**
Effective Date: **6/22/2001 12:00:00 AM** Last Modified: **9/21/2005 2:14:26 PM** Modified By: **Betty Urbany**

Year: **2002** VIN: **1FMZU72K02ZC81570** Make: **Ford**
Model: **Explorer** Value: **\$15,000** Department: **Buildings & Grounds**
Agent ID: ICRMP ID: **12353** Lienholder: **None**
Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **9/21/2005 2:15:55 PM** Modified By: **Betty Urbany**

Year: **1996** VIN: **1FTEF14Y3TNA33964** Make: **Ford**
Model: **F150** Value: **\$35,000** Department: **Fire Dept**
Agent ID: ICRMP ID: **5883** Lienholder: **None**
Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **9/21/2005 2:28:11 PM** Modified By: **Betty Urbany**

Year: **1988** VIN: **1593JFE3H1993567** Make: **SUTPHEN**
Model: **AERIAL** Value: **\$787,500** Department: **Fire Dept**
Agent ID: ICRMP ID: **5886** Lienholder: **None**
Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **9/21/2005 1:47:45 PM** Modified By: **Betty Urbany**

Year: **1989** VIN: **1NKDL59XKS530351** Make: **ODIN**
Model: **FIRE TRK** Value: **\$205,000** Department: **Fire Dept**
Agent ID: ICRMP ID: **5887** Lienholder: **None**
Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **9/21/2005 1:47:08 PM** Modified By: **Betty Urbany**

Year: **1996** VIN: **444KFT4288SWZ18052** Make: **HME**
Model: **ENGINE 62** Value: **\$712,500** Department: **Fire Dept**
Agent ID: ICRMP ID: **5890** Lienholder: **None**
Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **9/21/2005 2:00:54 PM** Modified By: **Betty Urbany**

Year: **1985** VIN: **1GB36P1DXFV213484** Make: **Chevrolet**
Model: **SCHOOL BUS** Value: **\$165,000** Department: **Fire Dept**
Agent ID: ICRMP ID: **5891** Lienholder: **None**
Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **9/21/2005 2:02:30 PM** Modified By: **Betty Urbany**

Year: **2003** VIN: **1GNGK26U33R299697** Make: **Chevrolet**
Model: **Suburban** Value: **\$45,000** Department: **Fire Dept**
Agent ID: ICRMP ID: **14031** Lienholder: **None**
Effective Date: **6/26/2003 12:00:00 AM** Last Modified: **9/21/2005 2:17:58 PM** Modified By: **Betty Urbany**

City of Sun Valley Vehicle Report Agent: **Betty Urbany**Department: **All Departments** Sorted By: **Department** Total Value: **\$3,872,500**Year: **2008** VIN: **3GNFK163X8G251294** Make: **Chevrolet**Model: **Sububan** Value: **\$35,000** Department: **Fire Dept**Agent ID: ICRMP ID: **20334** Lienholder: **None**Effective Date: **3/31/2008 12:37:14 PM** Last Modified: **3/31/2008 12:37:14 PM** Modified By: **Betty Urbany**Year: **1994** VIN: **1HTSEPPN7RH544582** Make: **International**Model: **Navistar** Value: **\$25,000** Department: **Fire Dept**Agent ID: ICRMP ID: **20474** Lienholder: **None**Effective Date: **5/13/2008 3:08:58 PM** Last Modified: **5/13/2008 3:08:58 PM** Modified By: **Betty Urbany**Year: **2008** VIN: **1GCHK29K28E208053** Make: **Chevrolet**Model: **Silverado 2500** Value: **\$25,000** Department: **Fire Dept**Agent ID: ICRMP ID: **20857** Lienholder: **None**Effective Date: **8/25/2008 10:19:12 AM** Last Modified: **8/25/2008 10:19:12 AM** Modified By: **Betty Urbany**Year: **2008** VIN: **4P1CJ01A48A009301** Make: **Pierce**Model: **Impel Pumper** Value: **\$462,500** Department: **Fire Dept**Agent ID: ICRMP ID: **21042** Lienholder: **None**Effective Date: **11/3/2008 12:04:57 PM** Last Modified: **11/3/2008 12:04:57 PM** Modified By: **Betty Urbany**Year: **2014** VIN: **1FDOW5HT1EEA49210** Make: **Ford**Model: **F550** Value: **\$45,000** Department: **Fire Dept**Agent ID: ICRMP ID: **26840** Lienholder: **None**Effective Date: **10/11/2013 9:03:30 AM** Last Modified: **10/11/2013 9:03:30 AM** Modified By: **Betty Urbany**Year: **2014** VIN: **4P1CA01DXDA013552** Make: **Pierce**Model: **Arrow XT** Value: **\$950,000** Department: **Fire Dept**Agent ID: ICRMP ID: **27071** Lienholder: **None**Effective Date: **12/30/2013 2:50:41 PM** Last Modified: **12/30/2013 2:50:41 PM** Modified By: **Betty Urbany**Year: **2004** VIN: **1FMPU151441B38635** Make: **Ford**Model: **Expedition** Value: **\$25,000** Department: **Law Enforcement**Agent ID: ICRMP ID: **15372** Lienholder: **None**Effective Date: **5/5/2004 12:00:00 AM** Last Modified: **5/5/2004 2:41:40 PM** Modified By: **Jerry Sandra Sullivan**Year: **2006** VIN: **1FMPU16596LA97746** Make: **Ford**Model: **Expedition** Value: **\$25,000** Department: **Law Enforcement**Agent ID: ICRMP ID: **18188** Lienholder: **None**Effective Date: **8/10/2006 12:00:00 AM** Last Modified: **8/10/2006 9:03:05 AM** Modified By: **Betty Urbany**

City of Sun Valley Vehicle Report Agent: **Betty Urbany**Department: **All Departments** Sorted By: **Department** Total Value: **\$3,872,500**Year: **2008** VIN: **1FMFU16568LA59888** Make: **FORD**Model: **EXPEDITION** Value: **\$25,000** Department: **Law Enforcement**Agent ID: ICRMP ID: **20335** Lienholder: **None**Effective Date: **3/31/2008 12:40:24 PM** Last Modified: **3/31/2008 12:40:24 PM** Modified By: **Betty Urbany**Year: **2012** VIN: **1FMJU1G50CEF17883** Make: **Ford**Model: **Expedition** Value: **\$25,000** Department: **Law Enforcement**Agent ID: ICRMP ID: **24898** Lienholder: **None**Effective Date: **12/20/2011 3:54:11 PM** Last Modified: **12/20/2011 3:54:11 PM** Modified By: **Betty Urbany**Year: **2012** VIN: **1FMJU1G57CEF57118** Make: **Ford**Model: **Expedition** Value: **\$25,000** Department: **Law Enforcement**Agent ID: ICRMP ID: **25427** Lienholder: **None**Effective Date: **7/11/2012 9:58:23 AM** Last Modified: **7/11/2012 9:58:23 AM** Modified By: **Betty Urbany**Year: **2016** VIN: **1FM5K8AR2GGD05752** Make: **Ford**Model: **Explorer** Value: **\$35,000** Department: **Law Enforcement**Agent ID: ICRMP ID: **33623** Lienholder: **None**Effective Date: **6/17/2016 2:41:43 PM** Last Modified: **6/17/2016 2:41:43 PM** Modified By: **Betty Urbany**Year: **2006** VIN: **1FTWF31P866EC74970** Make: **Ford**Model: **F350** Value: **\$15,000** Department: **Road & Bridge**Agent ID: ICRMP ID: **5897** Lienholder: **None**Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **6/13/2007 1:37:50 PM** Modified By: **Betty Urbany**Year: **2001** VIN: **1FTSF31S21EB03675** Make: **Ford**Model: **F350** Value: **\$15,000** Department: **Road & Bridge**Agent ID: ICRMP ID: **5899** Lienholder: **None**Effective Date: **10/1/2002 12:00:00 AM** Last Modified: **9/21/2005 2:08:07 PM** Modified By: **Betty Urbany**Year: **2004** VIN: **1FTSF31S14FB72863** Make: **Ford**Model: **F350** Value: **\$25,000** Department: **Road & Bridge**Agent ID: ICRMP ID: **14903** Lienholder: **None**Effective Date: **1/19/2004 12:00:00 AM** Last Modified: **1/19/2004 2:50:21 PM** Modified By: **n/a**Year: **2006** VIN: **2NPLHD8X66M653502** Make: **Peterbilt**Model: **Snowplow** Value: **\$125,000** Department: **Road & Bridge**Agent ID: **010** ICRMP ID: **17422** Lienholder: **City of Sun Valley**Effective Date: **12/30/2005 12:00:00 AM** Last Modified: **12/30/2005 1:38:07 PM** Modified By: **Jerry Sullivan**

City of Sun Valley Building Report Agent: **Betty Urbany**

Sorted By: **Agent ID** Total Buildings: **\$5,195,727** Total Contents: **\$1,550,000**

Description: **CITY HALL**

Address: **81 Elkhorn Rd** City: **Sun Valley** Zip: **83353** Year Built: **1980**

Construction Code: **D** Square Ft: **11170** Value: **\$1,959,361** Contents: **\$500,000**

Protection Class: **4** Lienholder: **None** Agent ID: **0**

Effective Dtate: **10/1/2002 12:00:00 AM** Last Modified: **7/10/2012 4:27:06 PM**

Modified By: **Betty Urbany**

Description: **ELKHORN FIRE STATION**

Address: **101 Arrowleaf Dr.** City: **Sun Valley** Zip: **83354** Year Built: **1989**

Construction Code: **B** Square Ft: **9154** Value: **\$2,411,218** Contents: **\$550,000**

Protection Class: **4** Lienholder: **None** Agent ID: **0**

Effective Dtate: **10/1/2002 12:00:00 AM** Last Modified: **7/10/2012 4:27:20 PM**

Modified By: **Betty Urbany**

Description: **Public Works Shop**

Address: **81 Elkhorn Rd** City: **Sun Valley** Zip: **83353** Year Built: **2000**

Construction Code: **C** Square Ft: **4968** Value: **\$825,148** Contents: **\$500,000**

Protection Class: **4** Lienholder: **None** Agent ID: **0**

Effective Dtate: **6/12/2001 12:00:00 AM** Last Modified: **8/21/2012 10:40:26 AM**

Modified By: **Betty Urbany**

City of Sun Valley Property Not Related to Buildings Agent: **Betty Urbany**

Department: **All Departments** Sorted By: **Description** Total Value: **\$104,000**

Description: **Drug Dog - (Dax)**

Value: **\$12,000** Department: **Law Enforcement** Agent ID: **010** Lienholder: **None**

Effective: **1/13/2006 12:00:00 AM** Modified: **1/13/2006 11:10:22 AM** Modified By: **Marty Miller**

Description: **Fencing**

Value: **\$32,000** Department: **Road & Bridge** Agent ID: Lienholder: **None**

Effective: **9/25/2003 12:00:00 AM** Modified: **9/21/2005 1:37:43 PM** Modified By: **Betty Urbany**

Description: **Street Lights**

Value: **\$60,000** Department: **Road & Bridge** Agent ID: Lienholder: **None**

Effective: **9/25/2003 12:00:00 AM** Modified: **9/21/2005 1:38:16 PM** Modified By: **Betty Urbany**

City of Sun Valley Mobile Equipment Under \$25,000 Report Agent: **Betty Urbany**

Description: **Summary** Value: **\$81,000**

Effective: **10/1/2002 12:00:00 AM** Modified: **3/14/2012 4:02:53 PM** Modified By: **Betty Urbany**

City of Sun Valley Mobile Equipment Over \$25,000 Report Agent: **Betty Urbany**

Department: **All Departments** Sorted By: **Description** Total Value: **\$460,000**

Description: **1999 Oshkosh Snow Plow**

Value: **\$150,000** Department: **Road & Bridge** Agent ID: **11068** Lienholder: **None**

Effective: **10/1/2001 12:00:00 AM** Modified: **9/21/2005 1:39:25 PM** Modified By: **Betty Urbany**

Description: **1999 Oshkosh Snow Plow**

Value: **\$150,000** Department: **Road & Bridge** Agent ID: **11067** Lienholder: **None**

Effective: **10/1/2001 12:00:00 AM** Modified: **9/21/2005 1:39:44 PM** Modified By: **Betty Urbany**

Description: **2000 Elgin**

Value: **\$60,000** Department: **Road & Bridge** Agent ID: Lienholder: **None**

Effective: **10/1/2001 12:00:00 AM** Modified: **9/21/2005 1:40:06 PM** Modified By: **Betty Urbany**

Description: **BOBCAT TOOLCAT MODEL 5600 T**

Value: **\$55,000** Department: **Road & Bridge** Agent ID: Lienholder: **None**

Effective: **10/1/2001 12:00:00 AM** Modified: **9/21/2005 1:41:04 PM** Modified By: **Betty Urbany**

Description: **JOHN DEERE LOADER MODL 544H**

Value: **\$45,000** Department: **Road & Bridge** Agent ID: Lienholder: **None**

Effective: **11/12/2002 12:00:00 AM** Modified: **9/21/2005 1:39:07 PM** Modified By: **Betty Urbany**

LIABILITY QUESTIONS

ICMRP ID:	189	Total Salaries/Wages from W-3 (Line 5):	\$2,166,308.93
# of Full-Time Employees:	28	# of Part-Time Employees:	37
# of Employees allowed to Write Checks:	1	# of EMTS/Paramedics:	0
# of Full-Time Law Enforcement Officers:	10	# of Part-Time Law Enforcement Officers:	0
# of Detention Officers:	0	# of Jail Nurses:	0
# of Jail Beds:	0	Average Detention/Jail Population	0
Average Daily Attendance for Schools:	0	# of Full/Part Time Teachers	0
Water/Sewer/Wastewater Payroll:	\$0.00	Net Operating Budget	\$5,262,081.00
Do You Own or Operate an Airport or Airstrip?	No	Do You Conduct Weed Spraying Operations?	Yes

August 18, 2016

TO: City of Sun Valley

RE: Terrorism Coverage for Policy Year Effective October 1, 2016

Dear Valued ICRMP Member:

Following the events of September 11, 2001, the nation's largest insurers took their case to Congress concerning their ability to withstand the financial consequences of additional terrorist acts that might take place on American soil. As a consequence, Congress enacted the Terrorism Risk Insurance Act (TRIA) that is intended to protect insured property owners by assuring that their property insurers are not overwhelmed by terrorism-driven claims. Local government risk sharing pools generally were excluded from TRIA.

Because ICRMP is regulated under Idaho law as a reciprocal insurer, federal law requires ICRMP to offer complete terrorism property coverage to its Members. This offering, which is additional to the regular coverage provided by the ICRMP Program, would require payment of an additional Member contribution, based upon the value of the property assets to be covered. An explanation is provided on the accompanying offer sheet.

You should understand that your ICRMP Member agency is under no obligation to accept the terrorism coverage that we are required to offer. In fact, the ICRMP Board of Trustees has purchased excess insurance for Members of ICRMP (as a whole) in the amount of fifty million dollars (\$50,000,000) per year. The coverage provided for all Members is available to be shared among any Members affected by acts of terrorism during a policy year. The Board believes this is a more cost-effective way of addressing this potential exposure. It is included in your regular ICRMP coverage **at no additional cost to you.**

The decision regarding terrorism coverage belongs to your governing board. Please complete the offer sheet evidencing your agency's desire to procure additional terrorism coverage and pay an additional Member contribution, or to reject it and share in the coverage procured for all ICRMP Members. In order to comply with the law, we need your answer promptly. Thank you.

Sincerely,



Rick. Ferguson
Executive Director

NOTICE - OFFER OF TERRORISM COVERAGE (Required by Federal law)

NOTICE – DISCLOSURE OF ADDITIONAL PREMIUM

TO: ICRMP Member:

The Terrorism Risk Insurance Act, as extended on December 26, 2007 by the enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), is a U.S. Treasury Department program under which the federal government would share, with regulated insurance carriers, the risk of loss from terrorist attacks. The Act applies when the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, certifies that an event meets the definition of a "certified act of terrorism". Certified acts of terrorism can also include foreign or domestic acts of terrorism, but they still must be certified as such by the Federal officers listed above.

In accordance with the Terrorism Risk Insurance Act, as extended on December 26, 2007, we are required to offer you coverage of all of the property we insure that your agency owns against any "certified act of terrorism". Your public agency must decide whether you desire the coverage (for an additional premium) or whether you choose to reject the offer of coverage and not pay the premium. The choice belongs to the governing board.

If you choose to accept this offer of terrorism coverage, your premium will include the additional premium for terrorism as stated in this disclosure. If you choose to reject this offer, you must do so by signing the enclosed statement and returning it to your agent, Betty Urbany at (208) 726-8866 or mail directly to ICRMP at P.O. Box 15249, Boise, Idaho, 83715.

If you reject coverage under the Act, the ICRMP policy provided to your public entity will provide an alternative form of coverage of terrorism-related insurance. Rather than cover the entire value of every item of property every public entity member of ICRMP might insure, the alternative form of coverage will provide a fixed amount of coverage (50 million dollars) for the entire membership of ICRMP during any single policy year. If terrorism-caused covered losses do not exceed 50 million dollars during any single policy year, such losses will be paid in full, subject to policy terms and conditions. If total terrorism-caused losses exceed 50 million dollars in the current policy year, such losses will be paid on a *pro-rata* basis among members suffering covered terrorism-caused losses, in proportion to their covered losses expressed as a percentage of all covered losses. Coverage under this alternative process shall not require certification by the Federal officials pursuant to TRIPRA.

Named Insured: City of Sun Valley

DISCLOSURE OF PREMIUM

If you accept this offer, the premium for terrorism coverage is estimated to be an additional amount of **\$11,263** over and above your proposed renewal Member contribution based on reported total insured values of **\$11,263,227**.

CONTINUED ON NEXT PAGE

IF YOU WISH TO REJECT COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT, AS EXTENDED ON DECEMBER 26, 2007, THE NAMED INSURED MUST APPROVE AND SIGN THE FOLLOWING STATEMENTS:

TERRORISM RISK INSURANCE ACT REJECTION OF FULL COVERAGE

We, as a Member of ICRMP, acknowledge that we have been notified as required under the Terrorism Risk Insurance Act, as extended on December 26, 2007, that as respects to the above referenced policy of insurance policy referenced above:

1. We have been offered coverage for acts of terrorism as defined in the Act;
2. We have been advised that if we accept coverage for acts of terrorism as defined in the Act, the United States Government will participate in the payment of terrorism losses insured under the Act, subject to the provisions of the Act;
3. We have been told that if we reject coverage under the Act by signing this notice, to the extent allowed by law, we will have only our respective share of the alternative coverage for any act of terrorism under the policy issued by ICRMP.
4. We have been notified of the annual premium for coverage for acts of terrorism as defined in the Act.
5. We hereby **reject** coverage for acts of terrorism as defined in the Act and understand my policy will contain an exclusion for acts of terrorism as defined by TRIPRA, but will otherwise provide limited coverage concerning acts of terrorism as addressed by the ICRMP policy issued annually to Members.

Chief Executive/Administrative Officer

Date

Print name

Print

public office held

City of Sun Valley
Public Entity Name

RETURN THIS FORM TO YOUR AGENT OR ICRMP. A COPY OF THIS DOCUMENT IS AS BINDING AS THE ORIGINAL.

ATTENTION AGENT: THIS FORM MUST BE SIGNED PERSONALLY BY AN AUTHORIZED OFFICER OF THE INSURED AND RETURNED TO ICRMP.

CITY OF SUN VALLEY

RESOLUTION 2016-18

A RESOLUTION OF THE CITY OF SUN VALLEY AUTHORIZING THE DESTRUCTION OF CITY RECORDS

WHEREAS, The City of Sun Valley is a municipal corporation duly organized and existing under the laws of the State of Idaho Code §50-101 et seq.; and

WHEREAS, Idaho Code 50-907 requires the City Council to authorize destruction of records that are not required to be retained as permanent records and that have met the minimum retention period provided by the city's record retention schedule, Resolution 2006-05, records that are no longer required by law or for city business; and

WHEREAS, the City Clerk has proposed for destruction of the records listed in the attached "**Exhibit 1**" that have exceeded their minimum retention requirement under section 61 of the City's records retention policy; and

WHEREAS, the City Clerk has determined to dispose of the records by means of a bonded, secure on-site document shredding company;

WHEREAS, approval for the destruction of the below listed records has been obtained from the Idaho State Historical Society, when required, and the City Attorney, as provided by Idaho Code 50-907.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUN VALLEY, IDAHO, that the records listed in the attached "**Exhibit 1**" shall be destroyed under the direction and supervision of the City Clerk.

The administrative staff of the City is authorized to take all necessary steps to carry out the authorization provided by this Resolution.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS ____ DAY OF SEPTEMBER, 2016.

Peter Hendricks, Mayor

Attest:

Nancy Flannigan, Assistant City Clerk

2013 Building Permit Files / Marked for Destruction / FILES ONLY

Permit Numbers		Permit Numbers		Permit Numbers	
2013	1	2013	47	2013	90
2013	2	2013	48	2013	91
2013	3	2013	49	2013	92
2013	4	2013	51	2013	93
2013	5	2013	52	2013	94
2013	6	2013	53	2013	95
2013	7	2013	54	2013	96
2013	9	2013	55	2013	97
2013	10	2013	56	2013	98
2013	11	2013	57	2013	100
2013	12	2013	58	2013	101
2013	13	2013	59	2013	102
2013	14	2013	60	2013	103
2013	15	2013	61	2013	104
2013	16	2013	62	2013	105
2013	17	2013	63	2013	106
2013	19	2013	64		
2013	20	2013	66		
2013	21	2013	67		
2013	22	2013	68		
2013	23	2013	69		
2013	24	2013	70		
2013	25	2013	71		
2013	26	2013	72		
2013	27	2013	73		
2013	28	2013	74		
2013	29	2013	75		
2013	30	2013	76		
2013	31	2013	77		
2013	32	2013	78		
2013	33	2013	79		
2013	35	2013	80		
2013	37	2013	81		
2013	38	2013	82		
2013	40	2013	83		
2013	41	2013	84		
2013	42	2013	85		
2013	43	2013	87		
2013	45	2013	88		
2013	46	2013	89		



2013 Building Plans to be Destroyed // Plans only

Permit Numbers	Permit Numbers
2013 1	2013 95
2013 5	
2013 6	
2013 7	
2013 9	
2013 10	
2013 11	
2013 12	
2013 14	
2013 15	
2013 16	
2013 19	
2013 20	
2013 25	
2013 28	
2013 29	
2013 30	
2013 32	
2013 34	
2013 38	
2013 43	
2013 44	
2013 47	
2013 50	
2013 52	
2013 53	
2013 54	
2013 55	
2013 56	
2013 58	
2013 60	
2013 61	
2013 67	
2013 74	
2013 77	
2013 78	
2013 79	
2013 80	
2013 81	
2013 82	
2013 84	
2013 90	
2013 91	
2013 94	

= Files to be Destroyed
= Plans to be Destroyed
(some are duplicates)

Buidling Permit Information 2013

Permit #	Parcel Number	Owner Name	Contractor Company	Site Address	Permit Description	Valuation	Permit Fee	Date Issued	New/Exist Res/Comm.	Date of Completion
2013-001	RPS 04650000030	Bob McGowan	Hanley Construction	105 Saddle Lane	Alteration	\$150,000.00	\$2,184.48	2/4/2013	Existing SFR	6/20/2013
2013-002	RPS 07100060170	Earl Reed	Rod Hawkins	Bonne Vie Condo #2230	Alteration	\$7,500.00	\$238.81	2/4/2013	Existing MFR	2/26/2013
2013-003	RPS04200000210	EG & Valerie Slemom	Ricks Remodeling	302 Juniper Rd.	Repair	\$10,173.00	\$181.25	2/4/2013	Existing SFR	6/28/2013
2013-004	RPS5000001090	Brad Dennison	Self / Multiple / Jay Douglass	325 Juniper Road	Alteration / Repair	\$100,000.00	\$1,704.28	2/7/2013	Existing SFR	4/18/2014
2013-005	RPS05200010020	Clay & Anne Nielsen	Dembergh Brown Builders LLC	202 Bannock Ct.	Alteration	\$150,000.00	\$2,184.48	2/28/2013	Existing SFR	6/24/2013
2013-006	RPS03500000210	Morton Hurt	Neville Construction	106 Syringa	Alteration	\$70,000.00	\$1,344.13	3/1/2013	Existing SFR	7/24/2013
2013-007	RPS04330000080	Leslie Howa	K&M Construction Inc.	60 East Lane Ranch Road	Addition & Alteration	\$550,000.00	\$6,767.82	3/1/2013	Existing SFR	11/25/2015
		SV Village Commercial Core								
		Land & Bldgs. Sec 7								
2013-008	4N 18E	Sun Valley Co.	Sun Valley Company	Sun Valley Lodge	Alteration	\$92,400.00	\$1,791.10	3/22/2013	Existing Comm.	4/18/2014
		Wildflower Condominiums								
2013-009	RPS05200020050	Inc.	Centimark Corporation	Wildflower Condos	Re-roof	\$1,800,000.00	\$14,626.81	3/18/2013	Existing MFR	6/9/2015
2013-010	RPS04200000140	Craig & Pam Bailey	Lloyd Construction	1001 Weyakin Dr	Alteration	\$100,000.00	\$1,704.28	3/25/2013	Existing SFR	7/1/2013
2013-011	RPS04200000140	Tom & Jane Allen	Poster Construction	107 Thistle Lane	Addition	\$180,000.00	\$2,472.60	4/5/2013	Existing SFR	7/24/2013
2013-012	RPS07550191567	DD. & Bruce Holcomb	Warner & Associates	1587 Snowcreek Condo	Alteration	\$200,000.00	\$2,664.68	4/8/2013	Existing MFR	12/30/2014
2013-013	RPS07800000770	Wildflower 667, LLC.	Powder River Enterprises	667 Wildflower, Sun Valley	Alteration	\$10,000.00	\$310.84	3/29/2013	Existing MFR	6/11/2013
2013-014	RP S04050000070	Brad & Kirsten Cleveland	Ben Young Landscape Architect	112 Bald View Ln.	Addition	\$5,000.00	\$190.79	4/5/2013	Existing SFR	4/18/2014
2013-015	RPS07610012834	Susan & Phil Lindsey	Boll LLC	2834 Summit 2 Condos	Addition	\$8,000.00	\$153.25	4/5/2013	Existing MFR	7/10/2013
2013-016	RPS07400AA0080	Bill & Dookie Tingue	Mark Loomis Construction	1270 New Villager	Addition	\$43,000.00	\$982.78	5/2/2013	Existing MFR	7/9/2013
2013-017	RPS07800000840	Paul & Andrea Hawkins	Grabber Construction	679 Wildflower Condominium	Repair	\$45,000.00	\$1,017.42	4/8/2013	Existing MFR	6/26/2013
		Lodge Apts II HOA								
		Common Area								
2013-018	RPS07350000000	Bulotti Serv.		Lodge II HOA Beantooth/Carthou	Alteration/Repair	\$9,500.00	\$286.83	4/8/2013	Existing MFR	
2013-019	RPS060000001140	Alex Klokke	Poster Construction	329 Juniper Road	Alteration	\$175,000.00	\$2,424.58	4/10/2013	Existing SFR	4/18/2014
2013-020	RPS05200040140	Jason & Janine Seymour	Poster Construction	306 Koolenai Court	Alteration	\$25,000.00	\$391.25	4/19/2013	Existing SFR	7/29/2013
2013-021	RPS4850000120	Peter Janss	Scott Milley Roofing	218 Bitterroot Dr	Re-roofing	\$31,600.00	\$451.85	4/15/2013	Existing SFR	7/9/2013
2013-022	RPS07800000170	Jack Benson	Mark Loomis Construction	529 Wildflower Condominium	Alteration	\$4,800.00	\$150.00	4/15/2013	Existing SFR	7/9/2013
		410 Fairway Loop SV								
2013-023	RPS04250000080	LLC	Class Five Enterprises Inc.	410 Fairway Loop	Addition/Alteration	\$350,000.00	\$4,105.28	6/20/2013	Existing SFR	4/2/2014
2013-024	RPS07800000100	Allen & Company	Little Wood Builders	580 Wildflower	Alteration	\$30,000.00	\$441.75	4/19/2013	Existing MFR	7/9/2013
2013-025	RPS04450000050	Stuart Campbell	Mark Loomis Construction	103 Hardrock Lane	Addition	\$8,550.00	\$153.25	4/22/2013	Existing SFR	3/14/2016
2013-026	RPS07200000090	Helen Garrett	Sun Valley Painting LLC	1359 Dollar Meadows Condos	Repair	\$4,000.00	\$150.00	4/23/2013	Existing MFR	4/23/2013
2013-027	RPS05100000150	Zanuck Family Trust	Sun Valley Roofing	723 Fairway Rd.	Re-roof	\$116,000.00	\$1,857.95	4/23/2013	Existing SFR	7/9/2013
2013-028	RPS07150014020	Andrew Zax	Grabber Construction	1402/1406 Cottonwood Condos	Alteration	\$87,000.00	\$1,548.22	4/24/2013	Existing MFR	4/20/2013
2013-029	RPS07100000000	Bonne Vie HOA	Avison Construction	Building G Bonne Vie	Repair	\$25,000.00	\$391.25	4/29/2013	Existing MFR	7/24/2013
2013-030	RPS07400BB0030	Mary Hooper	Mark Loomis Construction	1265 New Villager	Addition	\$17,000.00	\$279.25	5/1/2013	Existing MFR	6/18/2013
2013-031	RPS00000000370	Sinclair Oil Corporation	Sinclair Oil Corporation	1 Lane Creek Rd.	Addition	\$5,500.00	\$150.00	5/1/2013	Existing SFR	8/31/2015
2013-032	RPS04330000010	Elliot & Joanne Mercer	Rod Watson Builders	103 Arapaho Court	New Residence	\$1,350,000.00	\$11,809.92	5/17/2013	New SFR	7/1/2014
2013-033	RPS05200040210	Eamie & Judy Getto	Tanner Construction	103 Arapaho Court	Alteration	\$12,000.00	\$209.25	5/3/2013	Existing SFR	7/24/2013
2013-034	RPS04060000030	Dave & Sherri Luhr	Conrad Brothers	8 Back Pay Way	New Residence	\$2,000,000.00	\$15,878.76	6/10/2013	New SFR	2/25/2015

Building Permit Information 2013

2013-067	RPS04150000420	Roger Brown	Ron Miller Construction	110 Elkhorn Road	Addition	\$500.00	\$5,545.88	8/13/2013	Existing	SFR	2/11/2014
2013-068	RPS04150000150	James Garrison	Wood River Roofing	246 Elkhorn Road	Re-roof	\$16,648.00	\$265.25	7/30/2013	Existing	SFR	2/13/2014
2013-069	RPS03540010410	Mark Filipo	Buloti Serv	6 Buck Lane	Repair	\$500.00	\$150.00	7/20/2013	Existing	MFR	4/18/2014
2013-070	RPS05100000050	Fred Judd	Wood River Roofing	703 Fairway Rd.	Re-roof	\$114,243.00	\$1,838.74	8/8/2013	Existing	SFR	4/18/2014
2013-071	RPS03530010310	Glenn Wright	Buloti Services	114 E Dandelion	Repair	\$1,950.00	\$150.00	12/4/2013	Existing	MFR	12/4/2013
2013-072	RPS04320000050	Wayne Martin	5B Roofing	414 Morningslar Rd	Repair/Re-roof	\$7,000.00	\$150.00	8/8/2013	Existing	SFR	2/13/2014
2013-073	RPS04250000040	Schneider Properties LLC	Sun Valley Roofing	418 Fairway Rd	Re-roof	\$42,600.00	\$562.95	8/6/2013	Existing	SFR	10/16/2015
2013-074	RPS04250000310	Mark Dooley	Krekow Jennings	409 Fairway Rd	Demo	\$114,675.00	\$1,838.74	8/12/2013	Existing	SFR	11/2/2015
2013-075	RPS05100000220	John Monson	Ron Miller Construction	100 Proctor Mountain Road	Void, not constructed	\$5,000.00	\$150.00	8/13/2013	Existing	SFR	
2013-076	RPS042500000310	Mark Dooley	Krekow Jennings	409 Fairway Rd.	New Residence	\$6,700,000.00	\$45,299.58	9/30/2013	New	SFR	11/2/2015
2013-077	RPS07200000270	LLC	Dollar Meadows 1377								
2013-078	RPS07090034096	4096 Bluff Condos	Herich & Associates Inc.	1377 Dollar Meadow	Addition & Alteration	\$150,000.00	\$2,184.48	8/6/2013	Existing	SFR	2/11/2014
2013-079	RPS04350000120	Mark & Ann Kenyon	Builders West	4096 Bluff Condos	Addition	\$2,400.00	\$377.25	9/9/2013	Existing	MFR	8/25/2015
2013-080		Sun Valley Water & Sewer District	J & M Construction	205 Meadowridge	Addition	\$20,000.00	\$321.25	9/16/2013	Existing	SFR	10/26/2015
2013-081		Sun Valley Water & Sewer District	Sawtooth Construction	Parcel B Lane Ranch North	New	\$433,435.00	\$5,459.83	9/19/2013	New	Comm.	1/12/2015
2013-082	RPS077500MD0590	Susie & Joe Tavarez	Sawtooth Construction	Lot A Lane Ranch North	New	\$919,365.00	\$9,977.84	9/16/2013	New	Comm.	8/31/2015
2013-083	RPS05200010120	Virginia Randt	Five Star Kitchen & Bath	1259 Vilager Condo Dr	Alteration	\$70,000.00	\$1,344.13	9/13/2013	Existing	MFR	2/11/2014
2013-084	RPS07150014590	Lee Rowe	Bishop Builders, Inc.	403 Cayuse Ct. Weyyakin	Alteration & Repair	\$15,000.00	\$251.25	9/13/2013	Existing	SFR	2/11/2014
2013-085	RPS04700000120	Jeff Williams	H.L. Fieguth Construction	1458 Cottonwood	Alteration	\$250,000.00	\$3,144.88	9/13/2013	Existing	MFR	10/16/2014
2013-086	RPS00000000370	Sinclair Oil Corporation	Professional Roofing	205 Morningslar Road	Re-roof	\$23,000.00	\$363.25	9/16/2013	Existing	SFR	2/13/2014
2013-087	RPS04850000720	Hans Thum	Sun Valley Company	2 Westlake Rd.	Alteration & Repair	\$100,000.00	\$1,704.28	10/3/2013	Existing	SFR	4/18/2014
2013-088	RPS04850000090	Joel Schroff	Sun Valley Roofing	214 Blue Bell	Re-roof	\$8,800.00	\$153.25	9/20/2013	Existing	SFR	2/13/2014
2013-089	RPS46500000190	Deb Bahner	Idaho Mountain Builders	210 Bitterroot	Re-roof	\$18,200.00	\$293.25	9/20/2013	Existing	SFR	2/13/2014
2013-090	RPS04800000090	Norman Schlachter	R A Watson Construction	232 Bitterroot Road	Alteration	\$4,000.00	\$150.00	9/26/2013	Existing	SFR	9/2/2015
2013-091	RPS04700000070	Woodward Majorie B Trustee & Woodward William R Trustee		120 Sunrise Drive	Addition & Re-roof	\$120,000.00	\$1,896.36	10/3/2013	Existing	SFR	2/11/2014
2013-092	RPS04390000010	Dollar Properties LLC	McWilliams & Co	109 Arrowleaf	Repair & Re-roof	\$105,503.88	\$1,752.30	10/2/2013	Existing	SFR	4/18/2014
2013-093	RPSVE000000340	Elkhorn Property Owners	McWilliams & Co	5 Old Dollar Road	Repair	\$15,000.00	\$150.00	10/2/2013	Existing	SFR	2/11/2014
2013-094	RPS 0455000001A	Paul Skilleem	City of Sun Valley								
2013-095	RPS07400KK0430	Barbara Currey James	Bishop Builders, Inc.	201 Big Wells Road	Addition	\$40,000.00	\$542.75	10/3/2013	Existing	SFR	Completed
2013-096	RPS07100010010-40	Bonne Vie Condo Asso	Mark Loomis Construction	1305 New Villagers	New Demo	\$18,500.00	\$293.25	10/13/2013	Existing	MFR	2/11/2014
2013-097		Sun Valley Water & Sewer District	Avison Construction	Bonne Vie Condos Bldg. A	Repair	\$8,000.00	\$153.25	10/13/2013	Existing	MFR	2/11/2014
2013-098	RPS04850000110	Down Ann 1995 Rev Trust Down Ann M Trustee	Sawtooth Construction	Lane Ranch North	New	\$1,337,389.00		10/14/2013	New	Comm.	10/16/2015
2013-099	RPS04070020030	Sun Valley Resorts	Scott Milley Roofing	216 Bitterroot Dr	Re-roof	\$32,158.00	\$461.95	10/10/2013	Existing	SFR	2/13/2014
			Sun Valley Company	100 Bitterroot Dr	Repair	\$30,000.00	\$441.75	10/14/2013	Existing	Comm.	4/18/2014

Building Permit Information 2013

2013-100	RPS076500002766	Luis & Mia Ruthfield Morgan Family Ltd.	Go-2 -Guys	2766 Sunburst	Alteration	\$49,000.00	\$633.65	10/14/2013	Existing	MFR	10/7/2015
2013-101	RPS039900000230	Partnership	Rick's Remodeling	204 Sun Valley Road	Addition	\$8,653.00	\$150.00	11/1/2013	Existing	MFR	4/18/2014
2013-102	RPS04320000470A	Earl & Nancy Thompson	KMV Builders	Ridge Condo #30	Alteration	\$75,000.00	\$1,404.16	10/16/2013	Existing	MFR	6/1/2015
2013-103	RPS03520010040	Michole Greenig	Gern State Roofers	701 Morningstar Rd.	Reroof	\$13,611.25	\$223.25	10/23/2013	Existing	SFR	2/13/2014
2013-104	RPS07200000070	Blake & Susan Lindskog	F-Miz Construction	102 W. Dandelion	Alteration	\$6,500.00	\$150.00	11/15/2013	Existing	MFR	4/18/2014
2013-105	RPS03500000210	Miller Mark, Mann	Bulotti Services	1357 Dollar Meadows	Repair	\$7,000.00	\$150.00	11/25/2013	Existing	MFR	2/11/2014
2013-106	RPS03500000210	Pamela S Trustees Morton & Sally Hurt	Neville Construction LLC	106 Syringa	Alteration & Demo	\$20,000.00	\$321.25	1/22/2014	Existing	MFR	10/21/2015
							\$213,343.85				

CITY OF SUN VALLEY

RESOLUTION 2016-19

A RESOLUTION OF THE CITY OF SUN VALLEY AUTHORIZING THE DISPOSITION OF CITY EQUIPMENT

WHEREAS, The City of Sun Valley is a municipal corporation duly organized and existing under the laws of the State of Idaho Code §50-101 et seq.; and

WHEREAS, the City Clerk has proposed for the disposition of surplus property, listed in the attached **“Exhibit 1,”** which has either exceeded its usefulness or is broken or outdated; and

WHEREAS, the City Clerk has determined to dispose of the surplus property by erasing all hard drives from all computers and securing a reputable recycling company to recycle the equipment;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUN VALLEY, IDAHO, that the equipment listed in the attached **“Exhibit 1”** shall be disposed of as noted above.

The administrative staff of the City is authorized to take all necessary steps to carry out the authorization provided by this Resolution.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS ____ DAY OF September, 2016.

Peter Hendricks, Mayor

Attest:

Nancy Flannigan, Assistant City Clerk

EXHIBIT 1

Assigned #	Department	Equipment	Condition	Recommendation
***	Police	Panasonic Toughbook CF-29E4KGKM	Broken	Scrap
***	Police	IBM Think pad 555K09K	Outdated	Scrap
1909	Police	Dell ATG Latitude laptop	Broken	Scrap
1948	Police	Shop Vac	Broken	Scrap
1952	Police	Music Radio	Broken	Scrap
2000	Police	Dell Tower Computer	Outdated	Scrap
2010	Police	HP Deskjet 5550 Printer	Broken	Scrap
2021	Police	HP Laser Jet 4000 TN Printer	Broken	Scrap
2022	Police	Dell computer keyboard	Broken	Scrap
2025	Police	Dell computer speakers	Broken	Scrap
2045	Police	HP Deskjet 970Cxi Printer	Broken	Scrap
2122	Police	Pearlcorder DT2000 Microcassette	Outdated	Scrap

INTERNAL CONTROL ASSESSMENT
for
CITY OF SUN VALLEY
AUGUST 12, 2016



solutions

trust. but verify.



702 W. Idaho, Suite 1100
Boise, ID 83702

PH (208) 989 2245
FX (208) 947 5910
www.AvertiSolutions.com

September 1, 2016

Mr. Peter M. Hendricks
Mayor
City of Sun Valley
P.O. Box 416
Sun Valley, ID 83353

RE: Internal Control Assessment

Dear Mr. Hendricks

Please find attached eleven copies my report for the Internal Control Assessment. The report includes my findings regarding the City of Sun Valley's internal control strengths, risks, and recommendations for improvement.

If you have any questions regarding implementation of any of my recommendations, please contact me. I will review drafts of policies or help you brainstorm changes to your processes at no charge for a period of six months from the date of this report.

I appreciate the opportunity to assist you with your endeavors to improve the accountability and transparency of processes for the City of Sun Valley. It has been a pleasure working with you and your management team.

Best regards,

A handwritten signature in blue ink that reads "Denise McClure".

Denise McClure, CPA, CFE
President

Attachment

City of Sun Valley
INTERNAL CONTROL ASSESSMENT
August 12, 2016

Background

The City of Sun Valley (“SV”) engaged Denise McClure of Averti Solutions, LLC to perform an internal control risk assessment designed to identify gaps in SV’s system of internal control and recommend ways to improve the checks and balances in SV’s financial processes.

The scope of the engagement was to:

1. Assist the Mayor and City Council in evaluating the SV’s system of internal control to assess risks that may threaten its ability to achieve its objectives, and
2. Evaluate SV’s process for monitoring and controlling those risks.

Because this engagement was limited in scope, my knowledge of the daily operations of SV is limited. Thus, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcation, may exist but I did not detect them.

Internal control consists of systematic measures that are designed to ensure that an organization:

- Achieves its objectives and fulfills its mission
- Safeguards its assets and resources
- Deters and detects honest errors and dishonest acts
- Ensures accuracy and completeness of accounting data
- Ensures reliable and timely financial and management information
- Ensures adherence to policies, procedures and processes

Ultimately, it is the responsibility of the City Council and Mayor to assess the adequacy of SV’s risk management system, and to develop systems for mitigating such risks. Accordingly, the City Council and Mayor are responsible for any and all decisions regarding implementation of the recommendations in this report, as well as monitoring compliance with any changes that are implemented.

Elements of Internal Control Systems

There are three key elements to an organization’s system of internal control:

1. **The Control Environment** – Also known as “tone at the top”, the control environment sets the stage for the effectiveness of all internal control processes. The control environment refers to an organization’s culture and values. A culture of ethics and integrity starts with leadership and filters through an organization, permeating its operating philosophy and its commitment to organizational competence. It has a pervasive influence on all aspects of an organization’s processes and an organization’s ultimate success in achieving its goals.
2. **Segregation of Duties** – This involves separating functions so no individual controls a transaction or process from beginning to end. When possible, the following responsibilities should reside with different people: custody of assets, recordkeeping, authorization, reconciliation. Segregation of duties serves as an internal check and balance to safeguard assets and to assure that honest errors and dishonest acts are likely to be identified in the normal course of operations.

3. **Oversight** – Oversight and monitoring are necessary elements of internal control. Even in very large organizations where segregating duties is possible for most accounting functions, there are always individuals who can override controls, or processes for which one person is responsible. Oversight can be a first line of defense in safeguarding assets and assuring compliance with policies, procedures and processes. Oversight and monitoring serve as compensating controls when it is not feasible to segregate duties.

It is not possible to mitigate all risk. There are always circumstances that are beyond an organization's control that could result in loss. The most significant risks can be mitigated by intentionally creating a culture of integrity, separating duties to the degree feasible and instituting regular oversight and monitoring procedures. In doing so, SV and its leadership are fulfilling their fiduciary duties, and protecting the taxpayers, the city and city employees.

Scope of Engagement and Process

The scope of this engagement was to assess the SV's internal controls for financial processes through inquiries of SV personnel and review of available documentation. I interviewed SV personnel on July 8 and July 21, 2016 and had substantially completed my follow up inquiries as of July 21, 2016.

Findings

Significant findings include:

1. Significant backlog of work due to the Financial Manager / Treasurer vacancy.
2. Lack of segregation of duties involving receipt processing.
3. Lack of segregation of duties involving the Vendor Masterfile.
4. Lack of segregation of duties involving the Employee Masterfile.
5. User rights in the Caselle accounting system are too broad. They should be limited to what users need to perform their duties.
6. Payroll tax deposits were made, but payroll tax returns were not prepared and submitted for part of 2015 and 2016 to date.

A detailed list of my findings, including the material findings listed above, are presented in the attached matrix, Risks and Recommendations for Improvement.

Attachments

1. Risks and Recommendations for Improvement
2. Attachment A – Samples of Whistleblower Protection Policies
3. Attachment B – Monitoring and Oversight Checklist
4. Attachment C – Petty Cash Fund Process and Sample Forms
5. Attachment D – Segregation of Duty Matrix

**City of Sun Valley
Internal Control Assessment
August 12, 2016**

RISKS AND RECOMMENDATIONS FOR IMPROVEMENT

I. CONTROL ENVIRONMENT	
STRENGTHS:	
<ul style="list-style-type: none"> A. SV City Council has a Code of Ethics and Code of Conduct that govern the Mayor and City Council. Both were adopted in 2008 and amended in 2010 and 2015. B. City of Sun Valley Personnel Policy, effective October 1, 2012 includes standards for personal behavior of employees and workplace conduct. The Personnel Policy references relevant Idaho Code sections regarding accepting gifts, ethics, contract prohibitions, use of public position for personal gain, confidentiality, conflicts of interest and other types of conduct. C. SV has some written policies and procedures for financial processes but they need to be updated. D. SV performs background checks on prospective employees. 	
RISKS	RECOMMENDATIONS
<p>1. SV's Personnel Policy includes standards for personal and workplace conduct, as well as a harassment policy and complaint procedure, but does not provide direction for what employees should do if they suspect fraud, waste, theft or abuse.</p>	<p>Develop and promote a fraud prevention/anti-fraud/whistleblower policy that clearly defines unethical conduct, consequences for engaging in such conduct, appropriate ways to communicate concerns about potential violations, and measures SV will take to evaluate and investigate reports of unethical conduct. SV should obtain advice from legal counsel to assure provisions are consistent with Idaho law.</p> <p>Promote this policy to employees, vendors, the public and other stakeholders. This will demonstrate SV's commitment that leadership values and expects integrity and accountability from its employees as well as vendors and other stakeholders.</p> <p>Examples of anti-fraud policies and whistleblower policies in use by other cities are attached as ATTACHMENT A, and others are readily available via an Internet search.</p>
<p>2. The Finance Director / Treasurer position is vacant and the department is short-staffed.</p> <p>The employees involved in financial processes and oversight are relatively new to SV, are inexperienced and lack financial training.</p>	<p>The City Administrator has the longest tenure at 3-1/2 years and does not have a financial background so it is important that the incoming Finance Director / Treasurer has strong financial management skills.</p> <p>The Assistant City Clerk / Assistant Treasurer does not have a financial background and was not trained in many of the tasks for which she is now responsible, due to the vacant Finance Manager / Treasurer position. As noted below, there is a significant backlog of key tasks.</p>

RISKS	RECOMMENDATIONS
<p>3. There is a significant backlog of work that should be prioritized when a Finance Manager / Treasurer is hired.</p>	<p>Establish a plan for reducing the backlog of work due to being short-staffed.</p> <p>The backlog includes:</p> <ul style="list-style-type: none"> a. Financial statement preparation b. Payroll tax and withholding returns for 2015 and 2016 c. 1099 forms for 2015 d. Verify W-2 transmittals for 2015 e. Identify delinquent LOT payers f. Verify PERSI withholdings and payments g. Verify insurance benefit premiums and withholdings h. Reconcile and track grants and Wildland Fire funds

II. CASH PROCESSES

STRENGTHS:

- A. Dual copy deposit tickets are used, and the copy is cancelled by the bank and retained with the deposit detail.
- B. Routine analytical reviews for LOT revenue are performed monthly and presented to City Council.
- C. Petty cash is stored in a locked box inside a locked cabinet.
- D. SV does not accept credit card payments.
- E. SV is acquiring the Accounts Receivable module in Caselle which will allow it to better account for and monitor receivables, especially for building permits, design review and similar types of fees.

RISKS	RECOMMENDATIONS
<p>1. There is a high concentration of duties involving cash receipt processing. The Assistant City Clerk / Assistant Treasurer picks up mail and receives hand delivered payments. She also processes mail payments, prepares the deposit, records the transactions in the accounting system and takes the deposit to the bank. Approximately 12% of revenue (~\$600,000 annually) is received through the mail, so this concentration of duties is a high risk area.</p>	<p>Implement better controls over cash receipt processing.</p> <ul style="list-style-type: none"> a. Segregate duties so that employees who process cash receipts do not reconcile the bank statements, cannot access Accounts Receivable in the accounting system, are not check signers and do not have online access to bank accounts. Cash receipt processing includes: <ul style="list-style-type: none"> – Picking up the mail – Creating a permanent record of payments received (“log”) – Restrictively endorsing checks (stamping the back) – Preparing the deposit ticket b. The log should include details of each check received (e.g., a copy of each check and/or a copy of each remittance advice), and any supporting documentation. A control copy of the log should be maintained by the Finance Manager / Treasurer and/or City Administrator for comparing to the bank statement and for internal audit use. c. Consider remote deposit capture through your financial institution. d. It is not always possible to segregate these duties in a small office. A compensating control is to develop an analytical review process for payments received by mail or hand delivery. However, most SV mail payments do not have a corresponding accounts receivable which means opportunities for analytical review are limited. Developing a “log” system as noted above is a better control.
<p>2. Cash and checks are sometimes placed in an employee’s mailbox in the mail room. This area is not secure.</p>	<p>Do not leave cash or checks in the mail room. If the individual who prepares the deposit is not available, secure all checks and cash in the petty cash lockbox or in another secure place until someone is available to prepare the deposit.</p>
<p>3. Delinquent Local Option Tax (LOT) transmittals have not been reviewed for collection due to being short-staffed.</p>	<p>Establish a process for identifying delinquent LOT payors and following up with merchants. Review and analyze delinquencies at least annually.</p>

RISKS	RECOMMENDATIONS
<p>4. The City Clerk and the Assistant City Clerk / Assistant Treasurer can enter and modify receipts in Caselle. They also receive payments and prepare the bank deposit.</p>	<p>Segregate duties so that the person who receives mail and hand-delivered checks cannot record transactions in the accounting system or reconcile the bank statement. In addition, the City Clerk should either bill for LOT, business licenses and the like, OR receipt them, but should not have the ability to do both billing and receipting.</p> <p>If it is not possible to segregate these duties, develop a monitoring process for providing oversight. See <u>ATTACHMENT B</u>.</p>
<p>5. The record-keeping for petty cash is limited.</p>	<p>Implement better controls over the petty cash fund. See <u>ATTACHMENT C</u> for a description of petty cash processes and samples of forms that can be used to record and reconcile petty cash activity.</p>

III. PURCHASING, DISBURSEMENTS AND CREDIT CARDS

STRENGTHS:

- A. The City Council approves all non-recurring payments before checks are disbursed. This is both a strength and a weakness. The weakness is that payments are sometimes late, leading to finance charges.
- B. The Finance Committee reviews all accounts payable and has access to supporting documentation for each payment. The Finance Committee consists of a rotation of City Council members.
- C. Purchasing limits are established and Department Heads are aware of the limits:
 - Department Heads can approve purchases up to \$1,000, City Administrator can approve purchases over \$1,000 up to \$5,000, Mayor can approve purchases over \$5,000 up to \$10,000 and City Council approves all purchases over \$10,000.
- D. Fuel purchases require both a card and a PIN. Each vehicle has been issued a unique card and individuals authorized to purchase fuel each have a unique PIN. The Finance Manager / Treasurer and the Assistant City Clerk / Assistant Treasurer receive bi-weekly reports from United Oil as well as an electronic receipt for each purchase. The Finance Manager / Treasurer is responsible for reviewing receipts for reasonableness.
- E. The bank statement includes copies of the front and back of cancelled check images.
- F. There is very little expense reimbursement due to most travel expenses charged to credit cards.

RISKS	RECOMMENDATIONS
<p>1. The Assistant City Clerk / Assistant Treasurer processes payments to vendors and can also change Vendor Masterfile data such as adding, modifying or deleting vendors.</p>	<p>Segregate duties so that the person who processes payments cannot add, delete or modify Vendor Masterfile data.</p> <p>If this is not feasible, perform an analytical review of vendor payments at least annually. Download data from the accounting system and look for misspelled vendor names, duplicate vendors, duplicate invoice numbers, and recurring amounts. See <u>ATTACHMENT B</u>.</p>
<p>2. SV has experienced unauthorized credit card charges when credit cards were issued to Department Heads, as well as when there was only one credit card that was controlled by the ADMIN Department.</p> <p>All credit card charges are recorded as vendor "Wells Fargo" in Caselle. This makes it difficult to track expenses by vendor.</p>	<p>Regardless of whether credit cards are centralized or de-centralized, there should be monitoring systems in place. Centralized cards are inefficient, even in a small office, but decentralized cards are subject to a higher risk of misuse. Recommendations:</p> <ul style="list-style-type: none"> a. Develop a policy for proper usage of the credit cards (types of charges, use of Purchase Orders, types of charges requiring pre-approval, etc.) b. Require original receipts for all credit card charges. c. Monitor usage of the credit cards for compliance with new SV policy. See <u>ATTACHMENT B</u>. d. Determine if there is a way to record credit card charges in Caselle by vendor name, rather than the name of the credit card vendor. This will allow better tracking of vendor purchases and payments.

RISKS	RECOMMENDATIONS
3. Determine if Caselle has edit list capability for reviewing changes to Vendor Masterfile data.	If it is not possible to segregate Vendor Masterfile changes from accounts payable processing (e.g., if the Finance Manager / Treasurer is a back-up for both), a compensating control is for the Mayor and/or City Administrator to review a report that identifies all Vendor Masterfile changes for a specified time period.
4. Travel is pre-approved, but total costs associated with an episode of travel is not tracked.	Implement a travel approval process where travel expenses are estimated and approved prior to travel. Compare actual travel expenses to estimated cost after an episode of travel is complete. This can be accomplished with one form. I provided a sample form to the City Administrator.
5. The Assistant City Clerk / Assistant Treasurer prints checks with electronic signatures without pre-approval in Caselle. (The City Council approves the payments but there is no review and approval of the printed checks.)	<p>The Finance Manager / Treasurer and/or City Administrator should print and review a check register after each City Council approved payables batch is run, and at least monthly for other batches, to assure that only approved payments have been made. The Assistant City Clerk / Assistant Treasurer processes five types of accounts payable batches monthly, none of which require a second person to approve them in Caselle:</p> <ul style="list-style-type: none"> – Payments approved by City Council – Payroll transmittals for child support, garnishments and PERSI – Payroll withholdings and payroll taxes – Recurring payments – Insurance transmittals (health, life, dental, AFLAC) <p>Retain a copy of the check register for the City Council approved accounts payables batch and file with a copy of the report the City Council approved, or with meeting minutes.</p>
6. It takes significant time for the Assistant City Clerk / Assistant Treasurer to summarize the Verizon invoice by department.	Contact Verizon to determine how to assign specific phone lines to departments. This will make it easier to monitor phone lines and usage by department.
7. Fuel purchases are not compared to mileage logs.	<p>Periodically test for reasonableness of fuel expense by comparing mileage logs to fuel purchased for each vehicle.</p> <p>Purchase receipts should be routed to the person who processes accounts payable so that all receipts are available for review by the Finance Committee.</p>
8. Department Heads sometimes code purchases to incorrect expense accounts which leads to erroneous classification of expenses.	Add the name of the general ledger account to the Purchase Order form so Department Heads can more accurately assign the expense account codes. The Assistant City Clerk / Assistant Treasurer and the P.O. approver should review these account codes prior to payment to assure accuracy.

IV. PAYROLL AND HUMAN RESOURCES

STRENGTHS:

- A. Employment is contingent on passing a background and criminal history check.
- B. Department heads approve timesheets and timesheet calculation summaries are verified before payroll is processed.
- C. The City Administrator reviews and approves payroll before direct deposit is transmitted.
- D. Direct deposit detail reports are retained in City Administrator locked files.
- E. All payroll is made through direct deposit.
- F. Letters of Appointment for new hires document pay rate, employment status and other information. Pay rate adjustments are formally approved and documented by the City Administrator.

RISKS	RECOMMENDATIONS
1. The Police Clerk who processes payroll can access and change Employee Masterfile fields such as name, address, pay rate and direct deposit account data.	The person who calculates and processes payroll should not be able to change any Employee Masterfile data. These two functions should be segregated. Employee Masterfile data should be the purview of Human Resources and be separate from any payroll processing.
2. The Police Clerk who processes payroll sometimes prepares the checks for transmitting withholdings such as child support.	Such withholdings should be processed by someone other than the person who processes payroll. If it is not possible to separate these duties, a compensating control is for the person who reconciles the bank statement to trace these transmittals to the payroll system, general ledger and cancelled check images or ACH transfer.
3. Determine if Caselle has edit list capability for reviewing changes to employee payroll records and Employee Masterfile data.	If it is not possible to segregate Employee Masterfile changes from payroll processing (e.g., if the Finance Manager / Treasurer is a back-up for both), a compensating control is for the Mayor and/or City Administrator to review a report that identifies all Employee Masterfile changes for a specified time period.
4. The Police Clerk was trained to suppress and override payroll system error notifications when processing payroll. This may have resulted in erroneous benefit and PERSI withholdings and payments.	The Police Clerk has been re-trained not to suppress error notification, but the affected accounts need to be analyzed and reconciled.

RISKS	RECOMMENDATIONS
<p>4. Payroll tax deposits have been made, but payroll withholding and tax returns, such as Form 941, have not been filed since the Financial Manager / Treasurer left.</p> <p>Form 1099s for vendors were not prepared for 2015. There was no reconciliation of W-2s to Form 941 for 2015.</p>	<p>a. Payroll tax returns should be filed timely to avoid penalties. Either the Finance Manager / Treasurer or Assistant City Clerk / Assistant Treasurer can prepare them. However, they should be prepared by someone trained to do so because whoever signs them can be held liable for any inaccuracies. If SV does not have the depth of staff with proper training to meet the deadlines, consider retaining the services of an external CPA firm or consider outsourcing payroll. (See #6, below.)</p> <p>b. Direct the mail sorter to give all mail from taxing authorities to the City Administrator or Mayor to assure that any delinquent tax notices are dealt with immediately.</p>
<p>5. When the Finance Manager / Treasurer left in early 2015, it was determined that payroll withholding tables had not been updated for at least two years.</p>	<p>These updates should come from Caselle. Designate someone (Finance Manager / Treasurer or Assistant City Clerk / Assistant Treasurer) to be responsible for receiving the updates and assuring they are loaded.</p>
<p>6. Consider outsourcing payroll processing.</p>	<p>If completing payroll tax returns and processing withholding is problematic for SV, consider outsourcing payroll to a company such as ADP or Paychex. If you consider this, I recommend using one of the larger companies, rather than a local company, because local payroll processing companies are higher risk.</p> <p>The advantage for a city with few people available for accounting and bookkeeping is that it can improve internal controls and free valuable employee time for other tasks. It is necessary to monitor performance of an external payroll processor, but monitoring is similar whether the work is outsourced or retained in-house.</p>
<p>7. Pre-employment and background and criminal history checks are performed, but SV policies may not adhere to regulatory requirements.</p>	<p>Perform federal, as well as state and county checks for every location where a prospective employee worked and lived for the past seven years.</p> <p>Consider outsourcing rather than using the Idaho State Police and/or Sun Valley Police Department to assure compliance with federal and state laws and regulations.</p>
<p>8. Credit checks are performed on key financial positions as a condition of employment, but not during employment.</p>	<p>Perform credit checks on key financial positions every two to three years. People's financial positions change over time.</p> <p>Make sure you comply with Federal laws such as the Fair Credit Reporting Act. Lexis Nexis, HireRight or a similar large agency will guide you through the process, or obtain compliance information from the Federal Trade Commission and/or an attorney knowledgeable about employment law.</p>

V. PHYSICAL ACCESS

STRENGTHS:

- A. Keys to the buildings and offices are numbered and tracked for most departments.
- B. The Streets Department maintains a spreadsheet of issued keys, which is password protected.
- C. Employees sign forms acknowledging receipt of specific keys.
- D. Unissued keys are stored in a safe that requires two people to open, one with a key and one with the combination.

RISKS	RECOMMENDATIONS
<p>1. Not all departments comply with the centralized key management system. The Police Department retains and re-issues keys when an employee leaves. The Elkhorn Fire Station manages their key system independently. (I did not review the Elkhorn Fire Station system.)</p>	<p>Consider an electronic entry system, at least for exterior doors and a few important interior doors. This would be easier to maintain than the current key system, offer better physical security and provide better data on after-hours access.</p> <p>Evaluate whether all departments and locations should use similar systems. Develop a policy for granting and tracking keys.</p>
<p>2. The Street Department Supervisor is notified informally of new hires and key needs.</p>	<p>The City Administrator should approve issuance of keys to employees. This should be formally documented.</p>

VI. INFORMATION TECHNOLOGY

STRENGTHS:

SV contracts with Ketchum Computers for IT support. Based on a brief review of key IT issues:

- A. Password changes are required every 90 days and previously used passwords cannot be re-used.
- B. The server is imaged nightly to an external hard drive which is rotated to off-site storage.
- C. Data is backed up to the cloud nightly.
- D. Disaster recovery is tested twice annually by restoring individual files.
- E. There is a paper trail for adding employees, inactivating terminated employees and modifying rights for existing employees. The City Administrator completes a form for these modifications.
- F. A user's account is automatically locked after 8 unsuccessful login attempts.

RISKS	RECOMMENDATIONS
1. Some IT assets may be tagged for tracking purposes. The SV tagged items should be compared to the outsourced vendor list periodically.	Reconcile the SV inventory list to Ketchum Computers inventory list, if they maintain one.
2. User list and basic security should be reviewed at least annually.	A good verification process is for the City Administrator and Department Heads to review a user list from Ketchum Computers annually or semi-annually to assure that terminated employees' user access has been properly inactivated and that user rights are appropriate.
3. Desktop and local PC files may not be part of the routine back up process.	Train employees not to save files to their desktop or their local hard drive as such files might be lost if there is a system failure.

VII. OTHER

STRENGTHS:

- A. SV has employee dishonesty insurance coverage.
- B. SV has a formal record retention policy. Archived boxes are marked with destruction date.

RISKS	RECOMMENDATIONS
1. There are too few people involved in accounting processes to properly segregate duties.	Implement a formal monitoring and oversight process by someone familiar with financial processes, who is not involved in routine accounting processes. See <u>ATTACHMENT B</u> .
2. The City Clerk, Assistant City Clerk / Assistant Treasurer, Police Clerk and Finance Manager / Treasurer each have broader security rights in Caselle than they need.	Restrict rights to only what is needed for each employee to perform her/his job duties. See Segregation of Duties Matrix in <u>ATTACHMENT D</u> .
3. Employees and systems change over time.	Re-evaluate the Segregation of Duty Matrix when adding positions, there is turnover, short-staffed situations (maternity leave, sick leave, etc), when you change or add modules to your accounting system and when similar changes occur that impact segregation of duties. See <u>ATTACHMENT D</u> for the Segregation of Duties Matrix.
4. Prepare a “disaster recovery” plan in the event someone is unexpectedly absent.	<ul style="list-style-type: none"> a. Train a back-up person for critical tasks such as payroll processing. b. Have employees prepare a detailed, step-by-step procedure manual for critical and important tasks. Review at least annually, for example, as part of the performance review process.
5. Assets costing \$250 or more are tagged and added to a spreadsheet. This is not consistent with SV’s policy of tracking assets costing \$5,000 or more, and is handled differently by the various departments.	Evaluate SV’s current practices for tagging and tracking assets and update the policy. Implement a tracking system for high-value assets.

SAMPLE WHISTLEBLOWER POLICY
CITY OF LEWSITON, MAINE

City of Lewiston, Maine
WHISTLEBLOWER PROTECTION AND REPORTING POLICY

1.0 PURPOSE

It is critical that the City foster and maintain a workplace with high ethical standards and conduct its business in a fair, effective, efficient, and transparent manner. Further, the City must protect its assets and resources from fraudulent, illegal, and dishonest activities by maintaining effective internal controls and identifying and investigating any possibility of fraud or other improper activities

2.0 POLICY

This Whistleblower Policy establishes procedures for City employees, Officers, and community residents to report alleged illegal, fraudulent, and/or improper activity by employees and to assure that such reports do not result in retaliation by the City. This policy is in compliance with the “Whistleblower’s Protection Act”, MRSA 26, Section 830 et. al.

3.0 REPORTING, PROTECTION & EMPLOYEE/OFFICER/AGENT NOTIFICATION

- 3.1 Officers (“Officer” shall be defined as municipally elected officials and Mayor and City Council appointed committee and formally approved volunteer members), community members, and Employees are encouraged to report good faith suspicions of misconduct by Employees and any misuse of City property or resources.
- 3.2 Any Employee (“Employee” shall be defined as any full or part-time individual employed in municipal government which shall not include those employed by the Lewiston School Department) or community member who makes such a good faith report is protected against adverse actions by the City for raising such allegations and shall not suffer any reprisals or retaliation by the City for making the report, whether or not the allegations are sustained.
- 3.3 All new Employees, Officers shall be presented a copy of this Policy as part of their hiring/appointment orientation and, following the City Council’s adoption of this Policy. All current Employees and Officers shall be issued a notice in their paychecks (in the absence of a paycheck, they shall complete a form acknowledging receipt in writing) advising them of the policy’s existence; where it is located on the City’s web site; and the opportunity to receive a hard copy if they so desire.

4.0 PROHIBITED CITY ACTIONS & REPORTABLE ACTIVITIES

- 4.1 The City may not discharge, threaten, or otherwise discriminate against an Employee or a person acting on behalf of the Employee, regarding the employee's compensation, terms, conditions, location, or privileges of

City of Lewiston, Maine
WHISTLEBLOWER PROTECTION AND REPORTING POLICY

employment because he or she reports, orally or in writing in respect to the following:

- 4.1.1 What the Employee has reasonable cause to believe is a violation of the City's Code of Ethics Policy or a law or rule adopted under the laws of this State, the City, or the United States;
 - 4.1.2 What the Employee has reasonable cause to believe is a condition or practice that would put at risk the health or safety of that Employee or any other individual;
 - 4.1.3 What the employee has reasonable cause to believe is an act or omission that constitutes a deviation from the applicable standards governing City licensing or regulatory procedures or violations of City policy on the provision of benefits to clients or residents; or
 - 4.1.4 The Employee is requested to participate in an investigation, hearing or inquiry held by the City, or in a court action; or
 - 4.1.5 The Employee, acting in good faith, has refused to carry out a directive to engage in activity that would be a violation of the City's Code of Ethics Policy, a law or rule adopted under the laws of this State, the City, or the United States, or that would expose the employee or any individual to a condition that could result in serious injury or death, after having sought and been unable to obtain a correction of the illegal activity or dangerous condition from the City.
- 4.2 Community members, Officers, or Employees should report information related to any of the following prohibited activities, including, but not limited to:
- 4.2.1 Violation of any law, regulation, or ordinance.
 - 4.2.2 Conflict of interest.
 - 4.2.3 Fraud, waste, or misuse of City property, resources, or time.
 - 4.2.4 Improper or illegal use of authority.
 - 4.2.5 Creation of a specific and substantial danger to public health or safety by failing to perform duties required by the City position held.
 - 4.2.6 Theft, misuse of, or misappropriation of City resources, property, information, assets, or funds, or an attempt to do any of the same.

City of Lewiston, Maine
WHISTLEBLOWER PROTECTION AND REPORTING POLICY

- 4.2.7 Intentional falsification of records (including failure to disclose material facts or making false or misleading entries or statements with the intent to deceive on any City document or other official document, report, or form, including but not limited to, City financial records and environmental regulatory reporting), or the willful and unauthorized destruction and/or mutilation of any City document or other official document, report, or form, including City financial records, other than in accordance with the City's record retention policy and/or applicable state law.
- 4.2.8 Intentionally submitting false claims for payment or reimbursement.
- 4.2.9 Knowingly submitting and/or signing a timesheet that contains false information.
- 4.2.10 Forgery or intentional unauthorized alteration of a City document or other official document, application, report, or form, including but not limited to City financial documents.
- 4.2.11 Improprieties in the handling or reporting of financial transactions for the City.
- 4.2.12 Authorizing or receiving payment by the City for goods not received or services not performed.
- 4.2.13 Computer related activity involving unauthorized alteration, destruction of data, forgery, or manipulation of data or misappropriation of City-owned software.
- 4.3 Prior to submitting a formal Whistleblowing report, Employees reporting any alleged violation, unsafe condition, or practice outlined in Section 3.0 or consistent with the intent of this Policy, must first bring the concern to the attention of a person having departmental supervisory authority in order to demonstrate that the City has been allowed a reasonable opportunity to correct and properly report that violation, condition, or practice.

Prior notice to the supervisor or department head is not required if the employee has specific reason to believe that prior reports to the supervisor or department head have not resulted in promptly correcting and/or properly reporting the violation, condition, or practice. In such cases the procedures outlined in Section 4.0 of this policy should be followed.

Employees are encouraged not to file Whistleblowing reports in place of applicable grievance filings in response to certain labor-management practices,

City of Lewiston, Maine
WHISTLEBLOWER PROTECTION AND REPORTING POLICY

working conditions, and collective bargaining agreement requirements as outlined in applicable collective bargaining agreements and the City's Personnel Policy.

- 4.4 An Employee required to report suspected physical, sexual or mental abuse, neglect, or exploitation under MRSA 22, Section 3477 or 4011-A shall follow the requirements of those sections under those circumstances. No employer may discharge, threaten or otherwise discriminate against an employee regarding the employee's compensation, terms, conditions, location or privileges of employment because the employee followed the requirements of those sections.

5.0 REPORTING PROCEDURES

5.1 When to Report

A complaint filed under this Policy should be filed within 45 days of the date of the act or event which is subject of the complaint.

5.2 Whom to and How to Report

If a community member, Officer, or Employee submits a formal Whistleblower Complaint, they may utilize the form included in this Policy or the electronic submittal form located on the City Administrator's web page, or may submit an alternate written complaint (i.e., letter with contact information or email). The following conditions shall apply for reporting purposes:

- 5.2.1 **EMPLOYEES REPORTING TO SUPERVISOR OR DEPT. HEAD.** In most instances, Employees should submit a Whistleblower complaint to their supervisor or department head. Once received by the supervisor or department head, a copy of the complaint shall be immediately forwarded to the City Administrator
- 5.2.2 If the supervisor or department head does not respond to the Employee's complaint within a reasonable period of time, , the Employee may notify the City Administrator using one of the written complaint procedures listed in this Section.
- 5.2.2 **EMPLOYEES UNABLE TO REPORT TO SUPERVISOR OR DEPT. HEAD.** If the Employee believes that he or she is unable to report violations outlined in this policy to either their supervisor or department head, or the report involves either their supervisor or department head, the Employee may submit the complaint directly to the City Administrator utilizing the direct reporting function in the City Administrator's web page (which will be directed to the City

City of Lewiston, Maine
WHISTLEBLOWER PROTECTION AND REPORTING POLICY

Administrator or the Acting City Administrator when applicable) or by downloading the form provided on the City Administrator’s web site; or by picking up a form at the City Clerk’s Office. All mailed forms should be forwarded to: Lewiston City Administrator, City Hall, 27 Pine Street, Lewiston, Maine 04240.

5.2.3 **REPORTING PROCEDURES FOR COMMUNITY MEMBERS AND OFFICERS:** All reports or written complaints submitted by Officers and community members that do not involve the City Administrator shall be submitted to the City Administrator using one of the complaint procedures listed in Section 4.2.2.

5.2.4 **REPORTING ACTIVITY INVOLVING THE CITY ADMINISTRATOR:** All reports or written complaints submitted by Officers, community members, or Employees regarding the City Administrator shall be submitted to the City Attorney. The complaint must be submitted in writing and mailed to the City Attorney c/o Martin Eisenstein, Esq., Lewiston Whistleblower Program, P.O. Box 3070, Lewiston, ME 04243-3070 (**PLEASE NOTE: submitting the electronic form through the City Administrator’s web site will send the Whistleblower complaint to the City Administrator**).

5.3 Anonymity

Although every effort will be made to protect the anonymity of the whistleblower, there may be situations where anonymity cannot be guaranteed.

5.4 Accessing Reporting Forms

The Whistleblower Complaint Form is available on the City website (click on the City Administrator’s webpage under “Whistleblower Handling Process”). The form will also be available at all municipal building Employee information areas and on the second floor of City Hall near the City Clerk’s Office.

6.0 PROTECTION FROM RETALIATION

6.1 Retaliation Prohibited

No Officer or Employee shall use or threaten to use any official authority to influence, restrain, or prevent any other person who is acting as a whistleblower in good faith or upon a reasonable good faith belief. No Officer or Employee shall use or threaten to use any official authority or influence to cause any adverse employment action (including discharge, demotion, suspension, harassment, or other forms of discrimination) as retaliation against an

WHISTLEBLOWER PROTECTION AND REPORTING POLICY

Officer or employee who acts as a whistleblower in good faith and with reasonable belief that improper conduct has occurred. However, this Policy does not prohibit the City from taking an adverse action for legitimate or non-discriminatory reasons due to a mere casual connection to the protected Whistleblower activity. Such legitimate or non-discriminatory actions may include discipline for appropriate cause or refusing to hire/promote/transfer or to take any other personnel action based on inadequate qualifications or poor performance reviews.

6.2 Investigation of Complaints

Depending upon on the nature of the complaint, the City Administrator or her/his designee or the City Attorney will investigate the complaint to determine if misconduct and/or a violation of this Policy has occurred. To the extent permitted by personnel privacy laws and collective bargaining agreements, the City Administrator, her/his designee, or the City Attorney will meet with the complainant to discuss the findings of the investigation. Any action required by local, state and federal law will be applicable.

In the event that the complaint involves the City Administrator, the City Attorney shall advise the City Council of the report. Any investigation of the City Administrator must be compliant with the requirements of the City Charter and state/federal law.

6.3 Penalties

Any Officer or Employee who violates this Policy may be subject to discipline up to and including dismissal. All applicable collective bargaining and City Policy provisions shall apply. All applicable local, state, and federal penalties shall apply. In addition to all penalties provided by law, any Employee, Officer, supervisor, or department head who has been found by a court to have violated this Policy and the state and/or federal law under which it is promulgated may be individually liable for damages in an action brought against him or her by the injured Employee.

City of Lewiston, Maine
WHISTLEBLOWER PROTECTION AND REPORTING POLICY

WHISTLEBLOWER COMPLAINT FORM

(Optional) Name: _____

(Optional) Address: _____

(Optional) Work Phone: _____

(Optional) Home/Cell Phone: _____

Are you a City of Lewiston employee? Yes ___ No ___

If yes, what is your position or relationship to the City?

1. Identify the person or persons against whom your allegations are made.
2. Describe the nature of your complaint, the incident(s) or event(s), date(s), time(s), and place(s). Attach additional pages to this complaint if necessary.
3. Identify others who may have observed or witnessed the incident(s) that you described.
4. Do you have any documents that support your allegation? (Please list and attach copies).

FOR ALL COMPLAINTS NOT INVOLVING THE CITY ADMINISTRATOR:

You may mail this form to City Administrator, Lewiston City Hall, 27 Pine Street, Lewiston ME 04240 or email it to whistleblower@lewistonmaine.gov. If you are submitting this form through the City Administrator's web site, the form will be forwarded automatically to the City Administrator when you click "Submit."

FOR ALL COMPLAINTS INVOLVING THE CITY ADMINISTRATOR:

Mail this form to Martin Eisenstein, Esq., Lewiston Whistleblower Program, P.O. Box 3070, Lewiston, ME 04243-3070.

SAMPLE WHISTLEBLOWER POLICY
CITY OF BELLEVUE, WASHINGTON

**Chapter 3.80
CITY WHISTLEBLOWER POLICY
AND PROCEDURES**

Sections:

- [3.80.010](#) Scope.
- [3.80.020](#) Policy.
- [3.80.030](#) Definitions.
- [3.80.040](#) Procedures.

3.80.010 Scope.

These policies and procedures (collectively, the “policy”) are adopted pursuant to and in accordance with the local government Whistleblower Protection Act, 1991, Washington Laws, Chapter 44 (the “Act”) and are designed specifically to protect such conduct and provide such remedies as are set forth in the Act. (Ord. [4526](#) § 2, 1993.)

3.80.020 Policy.

A. It is the policy of the city:

- 1. To encourage the reporting by its employees of improper governmental action taken by city officers or employees; and
- 2. To protect city employees who have reported improper government actions in accordance with this policy.

B. The city encourages the reporting of improper governmental action taken by any city officers or employees, and the reporting of retaliatory actions for such reporting. The city encourages initial reporting to the city to allow for expeditious resolution of all such matters and to minimize any adverse impacts of the improper action. This policy states the city’s procedures for reporting improper governmental action and for protecting employees against retaliatory actions. (Ord. [4526](#) § 3, 1993.)

3.80.030 Definitions.

As used in this policy, the following terms shall have the meaning indicated:

- A. “Abuse of authority” means intentional misuse of power or position by a public officer or employee for an improper purpose.
- B. “Emergency” means a circumstance that if not immediately changed may cause harm or injury to persons or property.
- C. “Good faith” means action taken after a reasonable investigation of facts available to the employee, and after due consideration and with an honestly held belief that there was improper conduct.
- D. “Gross waste” means a significant or recurring intentional misuse of public funds, and does not include unintentional errors.
- E. “Improper governmental action” means any action by a city officer or employee:
 - 1. That is undertaken in the performance of the officer’s or employee’s official duties, whether or not the action is within the scope of the employee’s employment; and
 - 2. That:
 - a. Is in violation of any federal, state or local law or rule;

- b. Is an abuse of authority with substantial adverse impact to the public interest;
- c. Is a substantial and specific danger to the public health or safety; or
- d. Is a gross waste of public funds;

3. Improper governmental action does not include personnel actions including, but not limited to, employee grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, restorations, reemployments, performance evaluations, reductions in pay, dismissals, suspensions, demotions, violations of applicable collective bargaining and civil service laws, alleged labor agreement violations, reprimands, or any other personnel action taken under authority of state law.

F. "Retaliatory action" means any adverse change in a city employee's employment status or in the terms and conditions of a city employee's employment based on the reporting by the employee of improper governmental actions.

G. "Rule" means any order, directive, or regulation, the violation of which subjects a person to a penalty or administrative sanction. (Ord. [4526](#) § 4, 1993.)

3.80.040 Procedures.

A. Attached to the ordinance codified in this chapter as [Appendix A](#) is a list of agencies responsible for enforcing federal, state and local law and investigating other issues involving improper governmental action. Employees having questions about these agencies or other procedures for reporting improper governmental action are encouraged to contact their supervisor or such other person as may be designated by their supervisor.

B. City employees who obtain knowledge of facts demonstrating improper governmental actions should raise the issue first with their supervisor, the city manager, the city manager's designee, or the appropriate governmental agency responsible for investigating such improper action as listed in the attached [Appendix A](#). If requested by the supervisor, the city manager, or the city manager's designee, the employee shall submit a written report to the city stating in detail the basis for the employee's belief that an improper governmental action has occurred.

C. In the case of an emergency, the employee may report the improper governmental action directly to a person or entity who is not the person's supervisor, the city manager, the city manager's designee, or a government agency listed in the attached [Appendix A](#). In all other cases, the employee must first follow the reporting procedure outlined in subsection B above.

D. City employees who fail to make a good-faith attempt to follow this policy in reporting improper governmental action shall not receive the protections provided under this policy or the Act. Employees who make false reports may be subject to the disciplinary procedures in the city personnel code.

E. The supervisor, the city manager, or the city manager's designee, as the case may be, shall take prompt action to assist the city in properly investigating the report of improper governmental action. City officers, administrators, supervisors, and employees involved in the investigation shall keep the identity of reporting employees confidential to the extent possible under the law, unless the employee authorizes the disclosure of his or her identity in writing. After an investigation has been completed, the employee reporting the improper governmental action shall be advised of the summary of the results of the investigation, except personnel actions taken as a result of the investigation may be kept confidential.

F. City officials, administrators, supervisors and employees are prohibited from taking retaliatory action against the city employee because he or she has in good faith reported an improper governmental action in accordance with this policy.

G. Employees who believe that they have been retaliated against for reporting an improper governmental action should advise their supervisor, the city manager, or the city manager's designee. City officials, administrators and supervisors shall take appropriate action to investigate and address complaints of retaliation. If the supervisor, the city manager, or the city manager's designee, as the case may be, does not satisfactorily resolve a city employee's complaint that he or she has been retaliated against in violation of this policy, the city employee may obtain protection under this policy by providing, in accordance with subsection H below, a written notice to the city council specifying the alleged retaliatory action, and the relief requested.

H. City employees shall provide written notice given under subsection G by delivery of such notice to the city clerk no later than 30 days after the occurrence of the alleged retaliatory action with a copy to the city manager. The city shall respond within 30 days to the charge of retaliatory action.

I. After receiving the response of the city or 30 days after the delivery of the written notice to the city manager, the city employee may request a hearing before the Bellevue hearing officer to establish that a retaliatory action occurred and to obtain appropriate relief provided by law. An employee seeking a hearing must deliver the request for hearing to the city manager within the earlier of either 15 days of delivery of the city's response to the charge of retaliatory action or 45 days of delivery of the written notice given under subsection H to the city manager.

J. 1. Upon receipt of a request for a hearing, the city shall apply within five working days to the office of the Bellevue hearing officer designated pursuant to Chapter [3.79](#) BCC for an adjudicative proceeding. The city may provide legal representation for the city employee charged with retaliatory action in accordance with the requirements and exclusions of Chapter [3.81](#) BCC. The employee complaining of retaliation must prove his or her claim by a preponderance of the evidence in the hearing. The hearing officer will issue a final decision no later than 45 days after the date the request for hearing is delivered to the city manager, unless an extension of time is granted. The hearing officer has the authority to grant the employee reinstatement to his or her job position, with or without back pay. The hearing officer may issue such injunctive relief as may be found necessary to return the employee to the position he or she held before the retaliatory action and to prevent any recurrence of retaliatory action. The hearing officer may award costs and reasonable attorneys' fees to the prevailing party. The final decision of the hearing officer is subject to judicial review under the arbitrary and capricious standard, by filing a petition for writ of certiorari with the Superior Court of King County within 10 days of the date of the decision.

2. The city will consider any recommendation provided by the hearing officer that the retaliator be suspended with or without pay, or dismissed.

K. The city manager or the city manager's designee is responsible for implementing the city's policies and procedures: (1) for reporting improper governmental actions, and (2) for protecting employees against retaliatory actions. This includes insuring that this policy is permanently posted where all employees will have reasonable access to it and that this policy is made available to any employee upon request. The city will, to the extent it considers practical, provide training and education on the whistleblower policy. City supervisors and administrators are responsible for insuring that this policy is fully implemented within their areas of responsibility. Violations of this policy may result in appropriate disciplinary action, up to and including dismissal.

L. This policy shall apply to improper governmental action occurring on or after January 1, 1993. (Ord. [6230](#) § 2, 2015; Ord. 5023 § 1, 1997; Ord. 4526 § 5, 1993.)

The Bellevue City Code is current through Ordinance 6290, passed May 16, 2016, and Resolution 9100, passed May 16, 2016.

Disclaimer: The City Clerk's Office has the official version of the Bellevue City Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.

SAMPLE WHISTLEBLOWER POLICY
CITY OIF BOISE, IDAHO

City of Boise, Idaho
WHISTLEBLOWER PROTECTION POLICY

DEFINITIONS

“Adverse action” means to discharge, threaten, or otherwise discriminate against you in any manner that affects your employment.

“Good faith belief” means a belief with a reasonable basis in fact. Good faith is lacking if you know or should have known that you are making a malicious, false or frivolous report.

“Waste” means an unreasonable use, abuse, or mismanagement of City funds, property or manpower.

REPORTING WASTE, UNSAFE ACTS OR VIOLATIONS OF LAW OR POLICY

The City encourages you to report in good faith the existence of waste, unsafe acts or violations or suspected violations of law or policy. See Boise City Employee Policy Handbook 1.05. The City will not take adverse action against you when in good faith, you report situations that you feel waste public funds, property or manpower or unsafe act. You also will not be punished for reporting a violation or suspected violation of any law or policy. You should report your concerns in a way that lets the City fix the problem as quickly as possible.

The City expects its employees to fully cooperate with investigations when it receives a complaint. The City will not take adverse action against you when you participate or give information in an investigation, hearing, court proceeding, legislative or other inquiry, or other form of administrative review.

REPORTING PROCEDURE

You have several options to report waste, unlawful conduct, or policy violations. You may contact one or more of the following:

- Supervisors;
- Department Heads;
- Human Resources;
- The City Attorney’s Office;
- The Mayor’s Office;
- City Council members.

You also may use the City’s Ethics Hotline or the formal written process.

RETALIATION PROHIBITED

This policy strictly prohibits any retaliation against you when you communicate in good faith the existence of waste of public funds, property or manpower, or a violation or suspected violation of law or policy. If you harass or retaliate against someone who has reported a concern, you shall be subject to disciplinary action up to and including termination. You also may be subject

City of Boise, Idaho

to civil fines under Idaho's Protection of Public Employees Act. See Idaho Code §§ 6-2101 through 6-2109.

KNOWINGLY FALSE COMPLAINTS

Knowingly filing a false complaint may be a criminal violation and may be prosecuted. If you file a complaint that you reasonably believe to be true and a later investigation shows that it was false, the City will not take action against.

CITY OF SUN VALLEY
INTERNAL CONTROL RISK ASSESSMENT
August 12, 2016
Monitoring and Oversight Checklist

PROCESS	FREQUENCY	RESPONSIBILITY
Bank Statements		
Scan bank statement for red flags: Duplicate check numbers Checks without check numbers Unusual debit or credit memos NSF charges and chargebacks Unusual ACH transfers Transfers to unknown accounts Checks from different numerical sequence EFTPS payments a few days after payroll Monthly ISTC payment (could be check or ACH)	Monthly	
Review check copies/images: Are vendor names valid / recognized? Verify payee name is spelled out. (No acronyms.) Verify that payments sent to PO box addresses are valid. Verify proper signatures. Request supporting documentation for checks payable to employees (because all payroll is direct deposit). Request supporting documentation for checks payable to vendors you don't recognize. Ask to see supporting documents for a few checks. You should receive original documents, not photocopies. Verify that purchases have invoice & packing slip attached and packing slip is initialed by person checking in items.	Monthly	Monthly at first, then periodically
Print/review check register from Caselle: Verify numerical sequence of checks, look at voided checks and investigate any missing checks for which there is not a void check. Compare the prior month check register to current month & verify check number sequence. Trace the checks listed on the Caselle Check Register to the bank statement & check copy - is the vendor name and amount the same on both the check register and the cancelled check?	Periodically (2-4 times/yr)	
Review bank reconciliation. Review bank reconciliation. Verify that deposits per bank statement reconcile to revenue on the financial statements. (Or trace deposit tickets to G/L posting & bank statement; investigate discrepancies.)	Monthly at first, then periodically	

CITY OF SUN VALLEY
INTERNAL CONTROL RISK ASSESSMENT
August 12, 2016
Monitoring and Oversight Checklist

PROCESS	FREQUENCY	RESPONSIBILITY
Credit Cards		
Verify that charges are appropriate & valid business expenses.	Monthly	
Verify an original receipt and properly approved PO are attached for each charge.		
Verify that the amount due per the credit card statements equals the credit card payment (to assure no other credit cards were paid with company funds).		
Fuel Credit Cards		
Verify that cash withdrawals are restricted.	Periodically	
Verify that an original receipt is attached for each charge.		
Verify that charges are reasonable for each vehicle and individual.		
Payroll		
If Caselle has an Employee Masterfile Edit List, review it monthly or quarterly and verify pay rate changes, bonus amounts, employee terminations, new employees, etc.	Monthly or Quarterly	
Three way match: Trace (1) net pay per the Caselle Payroll Register to (2) the bank's DD detail to (3) the ACH debit per bank statement.		
Verify that withholding and payroll tax payments were made (EFTPS electronic payment and ISTC check or ACH transaction).		
Review and verify the final 2-3 checks for terminated employees. Check hours, PTO paid, gross pay and cutoff date.		
Accounts Payable		
If Caselle has a Vendor Masterfile Edit List, review it monthly or quarterly and verify a sample of the changes, such as vendor additions, addresses, etc.	Monthly or Quarterly	
Review vendor list periodically for these red flags:		
Verify validity of vendors added since last review.		
Assure vendor addresses are not employee addresses.		
Verify validity of vendors whose names are / include an acronym.		
Verify validity of vendors with a PO box address.		
Identify vendors with the same address.		

PETTY CASH FUND PROCEDURES

Accounting for petty cash involves a special type of account known as an “imprest” fund. An imprest fund is an account where the activity is not tracked in the general ledger. The amount recorded in the general ledger does not change as funds are used, or as the account is replenished. It is the preferred method of accounting for petty cash.

For example, if the petty cash fund is set at \$100, the petty cash account in the general ledger will always report a debit balance of \$100.

When the funds in the petty cash lock box get low, the petty cash custodian will request a check to replenish the funds that were disbursed. Since the requested check is drawn on the organization’s checking account, the Cash account (not the Petty Cash account) will be credited and various expense accounts (office supplies, postage, etc) will be debited. In other words, the general ledger account Petty Cash is not involved in the replenishment.

Under this system, the petty cash custodian should at all times have a combination of coins, currency, and petty cash receipts equal to \$100, the imprest amount.

Petty Cash Voucher

A *petty cash voucher* (also called a *petty cash receipt*) is usually a small form or a sheet of paper that is used to document a disbursement (payment) from a petty cash fund. Petty cash vouchers are also referred to as *petty cash receipts* and can be purchased from office supply stores.

The petty cash voucher should provide space for the date, amount disbursed, name of person receiving the money, reason for the disbursement, general ledger account to be charged, and the initials of the person disbursing the money from the petty cash fund. Receipts or other documentation justifying the disbursement should be attached to the petty cash voucher.

When the petty cash fund is replenished, the completed petty cash vouchers provide the documentation for the replenishment check.

Replenishing the Petty Cash Fund

Replenishing the petty cash fund means the petty cash custodian requests and receives cash from the company’s regular checking account in order to have the cash in the lock box equal the amount reported in the general ledger account, Petty Cash.

Let's assume that your office has a petty cash fund of \$100 and Mary is the petty cash custodian, i.e., Mary is the employee responsible for handling the petty cash transactions. At all times Mary should have \$100 in some combination of cash and petty cash vouchers (receipts).

Note – As a smart custodian, Mary always has someone else count the cash box with her and initial the count sheet. Likewise, when petty cash is replenished, she has someone else witness her receipt of the cash.

Let's assume Mary has \$20.00 in cash and petty cash vouchers of \$80. To replenish the fund, Mary will request that a check be written from the company's regular checking account in the amount of \$80, which is the \$100 imprest amount minus the \$20.00 that is actually on hand. The replenishment means the cash in the custodian's possession will be returned to \$100, even if the vouchers do not equal the amount needed (\$80 in this example).

It is important to point out that the \$80 check will be credited to Cash (the company's checking account). No entry will be made to the Petty Cash account.

The Cash Over / (Short) Account

The account Cash Over / (Short) is also used to record differences discovered when replenishing a company's petty cash fund. Nobody's perfect, but over time the cumulative over / short amount should be relatively small.

To illustrate, assume your office has a petty cash fund of \$100, there is \$6.00 in cash in the petty cash box and Mary, the custodian, wants to replenish it. There is \$6.00 on hand and there are petty cash receipts indicating that \$90.00 was disbursed. These two amounts indicate there is a shortage of \$4.00. (The custodian started with cash of \$100 and has documents showing that \$90 was disbursed; the custodian should have \$10 on hand—not \$6.)

The journal entry to replenish the petty cash fund will include a credit to Cash-Checking Acct for \$94. (This is the amount needed to get the petty cash on hand back to the imprest general ledger amount of \$100.) The debits will be the accounts and amounts shown on the petty cash receipts, which total \$90. To get the journal entry to balance, there needs to be another debit for \$4 to the Cash Over / (Short) account.

A debit in Cash Over / (Short) represents an expense. In our example, your office will have an expense of \$4, since there was a cash shortage of \$4. A credit to Cash Over / (Short) indicates that there was more cash on hand than was expected. In other words, a credit to Cash Over / (Short) represents revenue.

If petty cash custodians and bank tellers were perfect money handlers, there would never be an entry to the account Cash Over / (Short). The Cash Over / (Short) account provides a mechanism for monitoring cash handling proficiency.

The balance in Cash Over / (Short) is reported on the income statement. If the balance is insignificant, the account balance will likely be reported as part of miscellaneous expense.

**CITY OF SUN VALLEY
INTERNAL CONTROL RISK ASSESSMENT
August 12, 2016
Segregation of Duties Matrix**

	Police Clerk	City Clerk	Other Positions	Asst City Clerk / Asst Treasurer	Finance Manager / Treasurer	Department Heads	City Administrator	Mayor	City Council
	Rachel Wayt	Alissa Weber		Nancy Flannigan	(Vacant)	Various	Susan Robertson	Peter Hendricks	Various
Tenure (as of July 2016)	1.5 Years	2 years		11 mos		Various	3.5 years	7 months Mayor 2 years City Council	
Prior Experience	Community Service Officer for Ketchum Police 4.5 years. With California LE for 10 years prior.	Attorney by training. Did policy work in California. California license is inactive.		City of Bend paralegal.			Experienced City Administrator.		
Check Signer	No	Yes	No	No	No	No	No	Yes	Yes
Revenue / Receipts			Ideally, 2 people with no access to cash or A/R in Caselle & no online banking rights.						
BILLING		Record billings for LOT, business licenses, application fees, etc.			Write off LOT, business license fees, traffic citations, etc.		Review write offs of LOT, business license fees, traffic citations, etc.		
CASH RECEIPTING			Pick up mail and receive hand-delivered checks.	Record deposits in Caselle (all checks received including LOT).	Maintain signed receipt log for monitoring.		Maintain signed receipt log for monitoring. BACKUP		
		Monitor and research delinquent LOT payments.	Prepare deposit and receipt log.	Monitor and research delinquent A/R payments.	Reconcile bank statements / accounts.		Approve all refunds.		
TRAFFIC CITATIONS (This is a low risk area based on the small number of citations received by the Police Clerk.)	Receive pre-numbered forms from officers, record on log.		Payments for traffic citations are processed with other receipts by ADMIN Dept.	Record traffic citations in A/R.					
	Give copy of citation to City Clerk to enter to A/R. Could assist with follow up on delinquent payments as long as she can't write off.	Enter traffic citations to A/R. Could also assist with following up on delinquent payments as long as she can't write off.	If these duties are performed by Assistant Treasurer and/or City Clerk, see monitoring recommendations at ATTACHMENT B.	Record receipt of traffic citation payments and follow up on delinquent payments.					
PETTY CASH		Custodian of petty cash.		Custodian of petty cash. (BACKUP)	Reconcile petty cash. Monitor cash over/short.				
			Cash replenishment check at bank and return funds to custodian.	Process replenishment check with regular A/P run.	Approve replenishment checks.		Review reconciliation periodically.		

**CITY OF SUN VALLEY
INTERNAL CONTROL RISK ASSESSMENT
August 12, 2016
Segregation of Duties Matrix**

	Police Clerk	City Clerk	Other Positions	Asst City Clerk / Asst Treasurer	Finance Manager / Treasurer	Department Heads	City Administrator	Mayor	City Council
	Rachel Wayt	Alissa Weber		Nancy Flannigan	(Vacant)	Various	Susan Robertson	Peter Hendricks	Various
Purchasing, A/P and Credit Cards									
PURCHASING AND CHECK PROCESSING				Data entry for purchase orders and convert to invoices.		Review and approve purchases up to \$1,000 limit for own departments.	Review and approve purchases up to \$5,000 limit for ADMIN department and over \$1,000 up to \$5,000 for other departments.	Review and approve purchases over \$5,000 up to \$10,000.	Review and approve all purchases - retroactively for purchases of \$10,000 or less and proactively for purchases over \$10,000.
				Prepare invoices and supporting documentation for review.	Review invoices and supporting documentation and prepare for Finance Committee review.		Review invoices and supporting documentation.	Review and recommend approval to City Council.	Review and approve Finance Committee recommendations.
		Sign checks. (BACKUP)		Print checks after City Council approves.	Print checks after City Council approves. (BACKUP)				
CREDIT CARDS				Data entry for purchase orders for credit card charges and convert to invoices.		Approve purchases and use of credit card for respective department.	Approve purchases and use of credit card for ADMIN department, and for other departments within limits.	Approve purchases and use of credit card for ADMIN department, and for other departments within limits. (BACKUP)	
					Review credit card charges, purchase orders, and expense allocations.				
					Review fuel usage and charges by vehicle and employee. Evaluate for reasonableness.				
Payroll and Human Resources									
	Verify calculations of time sheets and departmental summations.			Process payroll in Caselle. (BACKUP #1)	Process payroll in Caselle (BACKUP #2)	Approve timesheets.	Make changes to Employee Masterfile.	Make changes to Employee Masterfile. (BACKUP)	
	Enter hours data to Caselle.			Process transmittal payments for withholdings such as taxes and child support. (BACKUP)	Process transmittal payments for withholdings such as taxes and child support.				

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PAYROLL	Process payroll in Caselle.			Assure that payroll withholding updates are loaded at least annually.	Review edit list prior to direct deposit transfer.	Review and approve summation sheets.	Review edit list prior to direct deposit transfer. (BACKUP, especially if Treasurer processes payroll.)	Review edit list prior to direct deposit transfer. (BACKUP, especially if Treasurer processes payroll.)	
					Close payroll after each pay run.		Transfer funds from LGIP to checking if needed.	Transfer funds from LGIP to checking if needed. (BACKUP)	
					Create DD batch file and upload to bank.		Create DD batch file and upload to bank. (BACKUP)	Create DD batch file and upload to bank. (BACKUP)	
					Prepare payroll tax returns and filings.		Receive and review all mail from taxing authorities.	Receive and review all mail from taxing authorities. (BACKUP)	
HUMAN RESOURCES		Make changes to Employee Masterfile. (BACKUP)		Assure new employee forms for tax withholdings and benefits are completed timely.	Assure new employee forms for tax withholdings and benefits are completed. (BACKUP)		Make changes to Employee Masterfile.	Make changes to Employee Masterfile. (BACKUP)	
				Provide benefit information to employees.	Provide benefit information to employees. (BACKUP)		Provide benefit information to employees. (BACKUP)		
							Assure new employee forms for tax withholdings and benefits are completed. (BACKUP)		
Month End Closing									
BANK RECONCILIATIONS					Perform bank reconciliation.		Review and approve bank reconciliations.	Review check images and bank activity.	
					Reconcile / verify each balance sheet account.				
					Void checks in Caselle and give original voided checks to City Administrator.		Review and maintain original voided checks and voided/deleted check report from Caselle.		
					Verify numerical sequence of checks used.		Review verification of numerical sequence of checks used.		

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JOURNAL ENTRIES					Prepare journal entries and submit to City Administrator for approval. Enter approved journal entries to Caselle.		Review and approve journal entries and supporting documents.		
REPORTING					Prepare financial statements and reports.		Review and approve financial statements and reports.	Review and approve financial statements and reports.	
Banking									
					Can access bank activity and download statements. Not a check signer.		Set up routine auto pay and ACH payments.	Set up routine auto pay and ACH payments. (BACKUP)	
							Transfer to and from checking and investment accounts.	Transfer to and from checking and investment accounts. (BACKUP)	
Capital Assets									
RECORDING AND TRACKING FIXED ASSETS (Design and implement controls once you have decided whether and how to track assets.)									
Accounting System Security									
MASTERFILE DATA	Should not be able to modify Employee Masterfile data, close payroll or prepare tax and withholding transmittals.	Modify Customer Masterfile data once the A/R module is implemented.		Should not be able to modify Employee Masterfile data or Vendor Masterfile data.			Modify Customer Masterfile data once the A/R module is implemented. (BACKUP)	As a check signer, should not have access to check stock or be able to print a check.	No check signer should have access to check stock or have the ability to print a check.
CHECK STOCK ACCESS		Control check stock.					Control check stock. (BACKUP)	As a check signer, should not have access to check stock or be able to print a check.	No check signer should have access to check stock or have the ability to print a check.
OTHER		Should be restricted from processing receipts or write offs for any of the items she can bill for.				Notifies Treasurer or City Administrator of assets retired, sold or otherwise disposed of.			

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