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Memorandum 22-128

TO:	Mayor Castner and Homer City Council
FROM:	Rob Dumouchel, City Manager
DATE:	July 20, 2022
SUBJECT:	AMLJIA Three-Year Participant Membership Agreement Renewal

The City is current a member of the Alaska Municipal League Joint Insurance Association (AMLJIA). In 2019 we signed a three-year participant membership agreement which provided benefits such as discounts on annual rates. The rate for fiscal year 2023 is \$658,018.

This agreement is expiring and I am recommending we enter another three-year participant membership agreement. By agreeing to remain a member through the end of fiscal year 2025, the City will receive a discount of 5% of what the participant would be charged in absence of an agreement. This should equate to roughly \$30,000 per year. If the City wishes to break the agreement early, there are financial penalties – with one exception. If AMLJIA raises their rates more than 10% for FY24 or FY25, the City will have an option to cancel this agreement.

Staff Recommendation: Approve resolution 22-058