



CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 92-67

From: John C. Stein, Mayor
Date: June 19, 1992
Subject: FY1993 Insurance Program

Mike Combs, the City contract consultant, has solicited insurance coverage for the next fiscal year. His memo is attached.

Although Council expressed no interest in joining the Alaska Municipal League Joint Insurance Arrangement, the Mayor directed that the consultant obtain a quotation. Quotes were also obtained from Alaska National Insurance Company, Insurance Company of North America and others.

The resulting quotations show the Alaska National package at \$84,603, INA at \$101,191 and AML/JIA at \$62,561. \$74,000 was budgeted.

Both Mike Combs and Steve Wells, JIA Director of Risk Management, will be present to answer questions.

Should Council choose to join the AML/JIA, then an authorizing ordinance must be passed at the next meeting. AML/JIA coverage would be retroactive to July 1.

Mr. Combs advises against the AML/JIA because of the higher risk to the City (1) for paying a share of excess claims as a member of the pool, (2) because the JIA has less financial stability than the commercial companies and (3) because a three-year commitment is required.

Mr. Wells may be able to satisfy Council concerns.



John C. Stein, Mayor



COOPERATIVE PARTICIPATION AGREEMENT

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COOPERATIVE PARTICIPATION AGREEMENT

THIS AGREEMENT is made and entered into in the State of Alaska by and among the Alaska Municipal League Joint Insurance Association, Inc., and the municipal corporations, city and borough school districts, and regional educational attendance areas organized and existing under the Constitution or laws of the State of Alaska, hereinafter collectively referred to as "Participants" or "Participating Members," and individually as "Participant," which are parties signatory to this Agreement.

WHEREAS, AS 21.76.010 provides that two or more local governmental entities may, by Cooperative Agreement, enter into joint insurance arrangements for certain purposes by any one or more of certain specified methods; and

WHEREAS, each of the parties to this Agreement desires to join together with the other parties for the purpose of pooling self-insured losses and jointly purchasing excess insurance, reinsurance or other reserve funding mechanisms, and administrative services in connection with a Joint Insurance Arrangement; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so;

NOW, THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

SECTION 1: Definitions.

The following definitions shall apply to the provisions of the Agreement:

- (1) "Association" or "JIA" shall mean the Alaska Municipal League Joint Insurance Association, Inc., a nonprofit corporation organized under the laws of the State of Alaska.
- (2) "Board of Trustees" or "Board" shall mean the governing body of the Association.
- (3) "Bylaws" shall mean those bylaws of the Alaska Municipal League Joint Insurance Association, Inc., as adopted by the interim Board of Trustees of such

Association, and as thereafter duly amended. The bylaws, including without limitation, all definitions set out therein, are incorporated herein by this reference.

(4) "Claim" shall mean a demand made against the Association arising out of an occurrence that is within the scope of coverage of the Association's Joint Insurance Arrangement as developed by the Board.

(5) "Excess Insurance" or "reinsurance" shall mean that insurance purchased on behalf of the Association to protect the funds of the Association against catastrophes or an unusual frequency of losses during a single year.

(6) "Executive Committee" shall mean the Executive Committee of the Board of Trustees of the Association, if created by the Board.

(7) "Fiscal Year" shall mean that period of twelve months that is established as the fiscal year of the Association.

(8) "Incurred losses" shall mean claims or potential claims for coverage under the Joint Insurance Arrangement.

(9) "Insurance" shall mean and include self-insurance through a funded program and/or any commercial insurance contract. This joint insurance arrangement shall not be considered insurance for any other purpose, pursuant to AS 21.76.020(a).

(10) "Reserve funding mechanism" shall mean a financial mechanism used to maintain necessary funding reserves for the JIA including, without limitation, reinsurance, bonds, letters of credit and cash assessments.

(11) "Retained losses" shall mean the amount of those claims, or portions of claims, that has been or will be charged to the Participant that incurred the loss or losses during a fiscal year.

Notwithstanding the foregoing definitions, the parties hereto agree that the words and phrases defined above shall be interpreted as defined by the policy of excess insurance in effect at the time of the occurrence that gives rise to the question of interpretation. When not defined by the excess insurance policy, the words and phrases shall be defined as set forth above. This reference to the definitions used in the excess

insurance policies is not intended to and shall not signify that this Agreement is a contract for insurance rather than a standard contract.

SECTION 2: Purposes.

(1) This Agreement is entered into by the Participants in order to provide more comprehensive and economical liability coverage, to provide for the pooling of contributions in order to assume risks from losses to the participants on a group basis, to provide self-insurance coverage to the Participants for all forms of insurance available or required by law for municipal corporations and for which state law authorizes the formation of joint insurance arrangements to provide such insurance, to reduce the amount and frequency of Participants' losses, and to decrease the cost incurred by Participants in the handling and litigation of claims. This purpose shall be accomplished through the exercise of the powers of the Participants jointly in the creation of a separate entity, the Alaska Municipal League Joint Insurance Association, to administer a Joint Insurance Arrangement wherein Participants will pool their losses and claims, jointly purchase insurance, and provide reserve funding mechanisms and administrative and other services, including claims adjusting, data processing, risk management consulting, loss prevention, legal and related services, as authorized pursuant to AS 21.76.

(2) It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional municipal corporations or other qualified entities organized and existing under the Constitution or laws of the State of Alaska as may desire to become parties to this Agreement and Participants of the Association, subject to approval by the Board and the execution of this Agreement.

(3) It is also the purpose of this Agreement to provide, to the extent permitted by law, that the Association may, in the discretion of its Board, contract with nonmember municipal corporations or other entities in the State of Alaska to provide, at a reasonable charge, to such nonparticipant entities or municipal corporations administrative and other services including claims adjusting, data processing, risk management consulting, loss prevention and training.

SECTION 3: Parties to Agreement.

Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories of this Agreement and, in addition, with such other parties as may later be added to and become signatories of this Agreement pursuant to Section 18. Each party to this Agreement also certifies that the deletion of any party from this Agreement, pursuant to Sections 19 and 20, shall not affect this Agreement nor such party's intent to contract as described above with the other parties to the Agreement then remaining.

SECTION 4: Term of Agreement.

This Agreement shall become effective on the date coverage commences for the Participant or 30 days after the Participant receives written notice of its actual deposit contribution, whichever is earlier. The Agreement shall continue in effect for not less than a three-year period beginning on July 1 of the calendar year in which coverage commences for the Participant, unless canceled, nonrenewed, or otherwise terminated in accordance with this Agreement and the Association bylaws.

SECTION 5: Liability of Association.

Pursuant to Alaska law the debts, liabilities and obligations of the Association shall not constitute debts, liabilities or obligations of any party to this Agreement, except as hereinafter expressly set forth. Specifically, all debts, liabilities and obligations of the parties hereto shall be several and not joint, except to the extent of contractually obligated payments provided hereunder for purposes of risk pooling.

SECTION 6: Powers of Association.

The Association shall have the powers common to the Participants and is hereby authorized to do all acts necessary for the exercise of said common powers pursuant to the terms hereof and in the manner provided by law, including, but not limited to, any or all of the following:

- 1) To make and enter into contracts;
- 2) to incur debts, liabilities or obligations;

- 3) to acquire, hold or dispose of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- 4) to sue and be sued in its own name;
- 5) to exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or otherwise authorized by law; and
- 6) all other and further powers that may be authorized by the Articles of Incorporation and bylaws of the Association and permitted or not otherwise prohibited by law.

SECTION 7: Board of Trustees.

The Association shall be governed by the Board of Trustees, which is hereby established and which shall be composed according to Article 6 of the bylaws. Each member of the Board shall have one vote.

SECTION 8: Powers of the Board of Trustees.

The Board of Trustees of the Association shall have the powers and duties set out in the bylaws and such other powers and functions as are provided for in this Agreement including, but not limited to, the power to authorize the contracts with nonparticipant entities or municipal corporations and the Association, and to provide other services to such nonparticipants as set forth in Section 2 of this Agreement, upon such terms and conditions as the Board shall decide appropriate.

SECTION 9: Insurance Coverage.

(1) The insurance coverage provided by the Association for Participants shall allow or require protection for comprehensive liability, personal injury, errors and omissions, contractual liability, and such other areas of coverage as may be required by law or regulation or as the Board shall determine, and not otherwise prohibited under AS 21.76.010(b). All applicable insurance policy forms, as they may be adopted and amended from time to time by duly-approved motion of the Board, are incorporated herein by this reference.

(2) The Association shall maintain an insurance limit for Participants determined by the Board to be adequate. The Board may arrange purchase of a group

policy for Participants interested in obtaining additional coverage above this limit, at an additional cost to those Participants.

(3) The Board may arrange for the purchase of any other insurance deemed necessary to protect the funds of the Association against catastrophes.

(4) The scope of loss protection, e.g., excess insurance or reinsurance, furnished by the Association shall be determined by the Board, in accordance with applicable legal requirements.

(5) The Board shall inform all participants of the scope and amount of excess insurance in force from time to time. Membership in the Association shall not preclude any Participant from purchasing any insurance coverage above those amounts purchased by the Association. The Association shall make information within its control available to advise participants of the types of additional or different coverages to municipalities and local public agencies.

SECTION 10: Development of the Joint Insurance Arrangement.

(1) The Board has adopted the Association's Joint Insurance Arrangement, including the insurance coverage provided for in Section 9, the amount of initial premiums, the precise cost allocation plan and formula, the pro forma financial statement of the Association, and the amount and type of insurance to be procured.

(2) The Joint Insurance Arrangement provided by the Association shall extend to all participant operations, unless otherwise expressly excluded by the Board, or by the provisions of such policy or policies of insurance as are obtained.

(3) The initial premium for each Participant shall be determined by the Board, in its discretion, based upon a fair formula which shall consider, but not be limited to, total Participant payroll, administrative experience of the Participant, the previous loss experience of the Participant, the liability risks of the Participant and the costs to the Association of adding the Participant as a member.

(4) The cost allocation plan and formula adopted by the Board shall provide for an adjustment in the Participants' contributions at the end of the first year of

operation, and annually thereafter, in order to produce a contribution for the following year for each Participant that is derived by consideration of the following three factors:

(a) That amount of losses borne individually by the Participant, as determined by the Board;

(b) the Participant's share of pooled losses and other expenses, as determined by the Board; and

(c) the Participant's contribution to a catastrophe fund and reserves for incurred-but-not-reported losses, the amount of such fund and reserves to be determined by the Board.

(5) The Board may make premium adjustments retrospective to the prior year, and each Participant shall pay any additional premium required by such retrospective adjustment.

(6) The Board shall adopt reasonable criteria for determining each Participant's annual share of pooled losses, expenses and contribution to a catastrophe fund which may include the Participant's payroll as compared to the total payroll of all Participating members, the Participant's individual loss experience, and such other criteria as the Board may determine to be relevant.

(7) The annual readjustment of the amount of premium shall be made and notices for readjustment premium amounts and the next year's premiums shall be distributed at least 90 days before the close of each fiscal year. This premium amount, together with any readjusted amount due under subparagraph (4) shall be due and payable on or before the fifteenth day after the beginning of the fiscal year.

(8) The Board, by an affirmative vote of the majority, shall have the authority to intercept State revenue-sharing funds due to any Participant that has failed to pay its annual deposit, self-audit, and assessments as agreed herein as and when due, in an amount equal to unpaid portion of the deposit, plus interest, from the due date until paid, at the rate of 10.5 percent per annum, plus \$1,000 as an administrative fee for the interception.

(9) Inasmuch as the Association may experience an unusual frequency of losses during a single fiscal year, which could increase the members' final premium substantially above the prepaid premium for that year and cause budgetary problems, the Board may provide for payment of a portion of such additional premium to be made over a period of time, not to exceed three years, plus reasonable interest.

SECTION 11: Accounts and Records.

(1) Annual Budget. The Association shall annually adopt an operating budget pursuant to this Agreement.

(2) Funds and Accounts. The Association shall establish and maintain such funds and accounts as may be required by the Director of the Alaska State Division of Insurance, applicable law or regulation, or generally accepted accounting practices. Financial books and records of the Association shall be in the hands of the Treasurer and shall be open to inspection at all reasonable times by representatives of the Participants.

(3) Administrator's Report. The Board shall provide for an annual audit of the accounts and records of the Association. This audit shall conform to generally accepted auditing standards, and shall include a determination, by a casualty actuary who is a member of the American Academy of Actuaries, that procedures for establishing reserves for losses are actuarially sound, and that the level of reserves are adequate. By October 1 of each year, a report of the financial condition of the Joint Insurance Arrangement, certified by a certified public accountant, shall be filed as a public record with each of the Participants and with the Legislative Budget and Audit Committee, as required by AS 21.76.010.

(4) Annual Audit. The Board shall provide for an annual audit of the accounts and records of the Association. Such audit shall conform to generally accepted auditing standards. When such an audit of the accounts and records is made by a Certified Public Accountant, a report thereof shall be filed as a public record with each of the Participants and with the Director of the Alaska Division of Insurance. The audit shall include a determination by a casualty actuary who is a member of the American Academy of Actuaries that procedures for establishing reserves for losses of the Joint

Insurance Arrangement are actuarially sound and that the level of reserves are adequate pursuant to AS 21.76.040. Such report shall be filed within six months of the end of the year under examination.

(5) Costs. Any cost of the audit, including contracts with, or employment of, Certified Public Accountants, in making an audit pursuant to this Section, shall be borne by the Association.

SECTION 12: Responsibility for Monies.

(1) The Treasurer of the Association shall have the custody of and disburse the Association's funds subject to Board approval. He or she shall have the authority to delegate the signatory function to such persons as are authorized by the Board. The Treasurer may also serve in such other official or employee status as the Board may direct.

(2) A fidelity bond or comparable security in an amount set by the Board, but not less than \$1,000,000.00 shall be required of all officers and personnel authorized to disburse funds of the Association. This bond shall be purchased by the Association.

(3) The Treasurer's duties shall include:

(a) Receiving all money of the Association and place it in the treasury to the credit of the Association;

(b) being responsible upon his or her official bond for the safekeeping and disbursement of all of the Association's money so held by him or her;

(c) paying, when due, out of money of the Association so held by him or her, all sums payable on outstanding debts of the Association;

(d) paying any other sums due from the Association money only upon request for payment signed by the Chairman of the Board or the Administrator. The Board may designate an alternate signature for each; and

(e) verifying the report in writing on the first day of July, October, January and April of each year to the Association and to Participants the amount of money held for the Association, the amount of receipts since the last report, and the amount paid out since the last report.

SECTION 13: Responsibilities of the Association.

The Association shall perform the following functions in discharging its responsibilities under this Agreement:

- (1) Provide insurance coverage as necessary including, but not limited to, a self-insurance fund and commercial insurance, as well as excess coverage and umbrella insurance, by negotiation or bid, and purchase, as necessary.
- (2) Assist each Participant's assigned risk manager with the implementation of that function.
- (3) Provide loss prevention and safety and consulting services to Participants as required.
- (4) Provide claims adjusting and subrogation services for claims covered by the Association's Joint Insurance Arrangement.
- (5) Provide loss analysis by the use of statistical analysis, data processing, and record and file-keeping services, in order to identify high exposure operations and to evaluate proper levels of self-retention and deductibles.
- (6) Provide for Participants, as needed, a review of their contracts to determine sufficiency of indemnity and insurance provisions.
- (7) Conduct advisory or mandatory risk management audits to review the membership of each Participant in the program. The audit shall be performed by the Administrator or, at the discretion of the Board, an independent risk management expert may be retained by contract to conduct the audits.
- (8) Undertake all other responsibilities deemed necessary by the Board in order to carry out the purposes of this Agreement.

SECTION 14: Responsibilities of Participants.

Participants shall have the following responsibilities:

- (1) The City Council, Assembly, School Board, or appointing official of each Participant shall appoint a representative as provided in Article 5, Section 2 of the Bylaws, and at least one alternate representative to attend Members' meetings.

(2) Each Participant shall appoint an employee of the Participant to be responsible for the risk management function within that entity, and to serve as a liaison between the Participant and the Association as to risk management.

(3) Each Participant shall maintain an active safety officer and/or committee, and shall comply with all recommendations of the Association concerning the development and implementation of a loss control policy to prevent unsafe practices.

(4) Each Participant shall maintain its own set of records, as a loss log, in all categories of loss to ensure accuracy of the Association's loss reporting system.

(5) Each Participant shall pay its premium and any readjusted amount promptly to the Association when due. Upon withdrawal, cancellation by the Board, or other termination, each Participant shall immediately pay to the Association its share of any additional deposits, calculated pro rata to the date of withdrawal, cancellation, or other termination, plus accrued interest at the rate of 10.5 percent per annum when and if required of it by the Board pursuant to Sections 21 or 22 of this Agreement, plus, in the case of a Participant that terminates its participation for any reason before the end of the term of this Agreement, liquidated damages in an amount equal to 20 percent of the Participant's current deposit for each year remaining in the term of this Agreement, to compensate the Association for the loss of its contribution to the Association's surplus for the remainder of the term of this Agreement.

(6) No Participant shall enter into an agreement to purchase insurance for the risks as to which insurance will be provided under this Agreement, for coverage during the period that said Participant is a member of the program, except as is described in Section 9(5), above.

(7) Participants shall treat amounts payable to the Association pursuant to this Agreement as operating expenses payable from general operating revenues, but not from taxes, in those jurisdictions where obligations paid from tax sources may require voter ratification.

(8) Each Participant shall provide the Association with such other information or assistance as may be necessary for the Association to carry out the Joint Insurance Arrangement under this Agreement.

(9) Each Participant shall in all ways cooperate with and assist the Association, and any insurer of the Association, in all matters relating to this Agreement and covered losses, and will comply with all bylaws, rules, regulations and policies adopted by the Board.

SECTION 15: Claims Administration and Payment of Losses.

(1) Each Participant shall give prompt notice of any claims to the Association, and failure to give prompt notice of claims shall constitute a waiver of coverage.

(2) The Association through the Administrator will investigate all claims against the Participants and will attempt to adjust or settle such claims. Subject to the provisions of this Agreement and rules and regulations promulgated by the Trustee, legal counsel selected by the Association will defend claims against the Participants. The Participants shall have the right to hire at its own expense its own co-counsel to work with the counsel employed by the Association. The Participant agrees to provide and make available to the Association all information and all personnel as may be reasonably required to fully investigate and defend each claim.

(3) The Administrator shall pay claims as directed by the Association according to the provisions set forth in this Agreement and the rules and regulations promulgated by the Board, and all applicable coverage agreements or policies.

(4) In the event the Association or its counsel wishes to settle a claim, the Participant and its co-counsel (if any) will accept the Association's recommendation and judgment and enter into such settlements as the administrator determines to be appropriate. The Association will, however, provide the Participant with notice of settlement proposals and will consult with the Participant before entering into any settlement agreement.

SECTION 16: Coverage Determination and Appeal.

(1) It shall be the duty and responsibility of the Administrator, acting on behalf of the Association, to make all initial determinations regarding rights to coverage protections provided under the joint insurance arrangement. Upon making a determination of coverage or noncoverage, the Administrator shall notify the Participant of his or her determination in writing. The written determination of coverage or noncoverage shall advise the Participant whether the Association will defend the claim and/or indemnify the participant, whether the Association is reserving any rights to make any subsequent determinations regarding coverage, or whether the Association is denying coverage.

(2) The Board shall promulgate rules and procedures whereby a determination by the Administrator denying coverage shall be reviewed by the Board upon appeal by the aggrieved Participant.

SECTION 17: Effective Date of Program.

Each Participant shall be bound by this Agreement upon execution, unless the Participant gives notice of withdrawal in accordance with Section 18(2).

SECTION 18: New Members.

(1) Additional Participants may be permitted, in the complete discretion of the Board, to become signatories to this Agreement, or to enter the Joint Insurance Arrangement, as the Board deem appropriate. Participants entering under this Section will be required to pay their share of organizational expenses as determined by the Board, including those necessary to analyze their loss data, determine their contributions and make a capital contribution based upon a proportionate share of the undesignated reserve.

(2) Each prospective Participant shall designate in its application the time it requests coverage to commence. The deposit contribution quotation shall be developed and presented to the new Participant by written notice. Each new Participant shall have 30 days from the receipt of such notice or until the day before the commencement date of coverage, whichever is earlier, to withdraw from the Agreement. To exercise the right of withdrawal under this Section, the Participant must provide written notice to

the Association that is received by the Association on the earlier of (1) 30 days after the date of receipt by the Participant of its deposit contribution quotation or (2) the day before coverage is to begin.

SECTION 19: Withdrawal.

(1) A Participant may withdraw as a party to this Agreement pursuant to requirements of this Section.

(2) A Participant may not withdraw, except during the initial period described in Section 18(2), as a party to this Agreement and as a Participant of the Association until after the three-year period beginning July 1 of the calendar year in which coverage commences for the Participant.

(3) After the initial three-year commitment to the program, any withdrawal by a Participant shall be effective only at the end of the fiscal year, and only after giving the Association not less than six months' written notice of intent to withdraw. The first opportunity to provide such notice of intent to withdraw shall be not less than six months before the expiration of the initial three-year period. Such withdrawal shall not exonerate a withdrawing Participant from liabilities incurred during the term of its participation, or pursuant to the Cooperative Participation Agreement.

SECTION 20: Cancellation.

(1) The Association shall have the right to cancel any Participant's membership in the Joint Insurance Arrangement upon a two-thirds vote of the entire Board. Any Participant so canceled shall be given 30 days' notice before the effective date of the cancellation. If cancellation is due to nonpayment of amounts owing or any other default by a Participant, the notice period for the default (with notice indicating possible cancellation due thereto) may be included within the 30-day notice period provided by this paragraph.

(2) The Association may cancel this Agreement by providing Participants with notice of intent to cancel not less than six months before the expiration of the initial three-year period. If no such notice is provided, the Agreement shall be automatically renewed for one-year terms. During each one-year term, the Association may cancel the

Agreement by providing not less than six months' notice of cancellation before the end of each one-year term. Such cancellation shall be effective only at the end of the fiscal year.

SECTION 21: Effect of Withdrawal.

(1) The withdrawal of any Participant from this Agreement shall not terminate it. No Participant by withdrawing shall be entitled to payment or return of any premium, consideration of property paid, or donated by the Participant to the Association, or to any distribution of assets.

(2) The withdrawal of any Participant after the effective date of the Joint Insurance Arrangement shall not terminate its responsibility to contribute its share of premium or funds to any fund or insurance program created by the Association until all claims, or other unpaid liabilities, covering the period the Participant was signatory hereto have been finally resolved and a determination of the final amount of payments due by the Participant or credits to the Participant for the period of its membership has been made by the Board. In connection with this determination, the Board may exercise the same powers provided for in Section 22(3) of this Agreement.

SECTION 22: Termination and Distribution.

(1) This Agreement may be terminated by the written consent of three-fourths of the Participants; provided, however, that this Agreement and the Association shall continue to exist for the purpose of disposing of all claims, distribution of assets and all other functions necessary to wind up the affairs of the Association.

(2) Upon termination of this Agreement, all assets of the Association shall be distributed after the payment of, or provision for, all debts, claims and liabilities, only among the local public agencies who have been Participants at some time during the three-year period preceding the dissolution date established by the board, in accordance with and proportionate to their cash (including contribution) payments and property (at market value when received) contributions made during the three-year period immediately preceding the dissolution date established by the board. The Board shall determine such

distribution within six months after the last pending claim or loss covered by this Agreement has been finally disposed of.

(3) The Board is vested with all powers of the Association for the purpose of winding up and dissolving the business affairs of the Association. These powers shall include the power to require Participants, including those which were Participants at the time the claim arose or at the time the loss was incurred, to pay their share of any additional amount of premium deemed necessary by the Board for final disposition of all claims and losses covered by this Agreement. A Participant's share of such additional premium shall be determined on the same basis as that provided for annual premiums in Section 10(4) and (5) of this Agreement, and shall be treated as if it were the next year's annual premium for that Participant, subject to the limits described in Section 10(8) of this Agreement.

SECTION 23: Bylaws and Manual.

The Board has caused to be developed and maintained Association bylaws and a policy and procedure manual to govern the day-to-day operations of the Association. Each Participant shall receive a copy of any such bylaws, policy statement or manual, and shall be bound by the provisions thereof.

SECTION 24: Notices.

Notices to Participants hereunder shall be sufficient if mailed to the address listed on the application form of the respective Participant. A Participant may change such address from time to time by providing written notice of such change to the Association, Attention: Administrator.

SECTION 25: Amendment.

This Agreement may be amended at any time by the written approval of all city councils, borough assemblies or similar governing bodies of Participants signatory to it, or by an amendment adopted in the manner provided for in the bylaws.

SECTION 26: Prohibition Against Assignment.

No Participant may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Participant shall

have any right, claim or title to any part, share, interest, fund, premium or asset of the Association.

SECTION 27: Agreement Complete.

This Agreement, along with the exhibits hereto and documents incorporated by reference herein, constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

SECTION 28: Governing Law.

This Agreement shall be interpreted according to the laws of the State of Alaska. If suit is brought relating to any dispute arising hereunder or related hereto, such shall be filed in the Superior Courts of Alaska in Anchorage, Fairbanks or Juneau, and in no other place.

SECTION 29: Construction of Contract.

Separate agreements shall be executed by all Participants and all such agreements shall be construed as a single collective contract.

IN WITNESS WHEREOF, the parties hereto, acting through properly authorized officials, hereby execute this Agreement.

DATED this 20 day of July, 1992

City of Wasilla
PARTICIPANT

By: [Signature]
Its: Mayor

[Signature]
ATTEST Deputy Clerk

DATED this _____ day of _____, 19__.

ALASKA MUNICIPAL LEAGUE
JOINT INSURANCE ASSOCIATION, INC.

By: _____
Its: _____

ATTEST _____