



## Legislation Text

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**File #:** 19-0069, **Version:** 1

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Resolution to Authorize Payments to Unum Life Insurance Company of America and to Renew Associated Group Term Life, Accident, and Disability Insurance Policies for City Employees and their Eligible Dependents, and to Authorize the City Administrator to Execute the Necessary Documentation (\$1,340,685.00)

The attached Resolution authorizes renewal of the group term life, optional life, accidental death and dismemberment, short-term disability, and optional long term disability insurance policies with our group insurance provider, and related payments. The City is in a current contract with Unum Life Insurance Company of America through 12/31/2020. The estimated annual cost of this employee benefit is \$609,402 annually.

Unum's products are fully-insured. The City will pay the total cost of basic insurance premiums, and share with employees the cost of employee optional insurance premiums. Employee labor contracts and employee benefit plans establish the level of life insurance, accidental death and dismemberment, and short term and long-term disability insurance coverage for City employees.

The above referenced cost projections are in accordance with the approved FY19 budget and anticipated FY20 budget. The benefit coverage levels will remain the same for the FY19 and FY20, as currently underwritten.

Prepared By: Jessica Hull, Employee Benefits Supervisor  
Reviewed By: Robyn Wilkerson, Director of Human Resources and Labor Relations  
Approved By: Howard S. Lazarus, City Administrator

Whereas, The City provides group term life insurance coverage to City employees and their eligible dependents, optional life insurance coverage, accidental death and dismemberment coverage, optional long-term disability coverage, and short-term disability coverage in accordance with the employee benefits program and various labor contracts at an estimated annual cost of approximately \$609,402 annually;

Whereas, The City's contract with Unum Life Insurance Company of America is due for renewal on January 1, 2019;

Whereas, There is no increase of premium in the renewal rates for existing group term life insurance, optional life insurance, accidental death and dismemberment insurance, or optional long term disability insurance coverage with Unum Life Insurance Company of America;

Whereas, There is a decrease of premium in the renewal rates for existing short term disability insurance;

Whereas, Human Resources Services recommends renewal of these policies and authorization of these payments;

Whereas, Funds have been appropriated in the approved FY19 budget and are planned for and will

be budgeted in the FY20 budget to cover projected costs associated with the provision of group term life insurance, optional life insurance, accidental death and dismemberment coverage, short term disability coverage, and optional long term disability coverage; and

Whereas, Unum Life Insurance Company of America complies with the requirements of the City's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That City Council approve the authorization for payments to Unum Life Insurance Company of America for the provision of group term life insurance, optional life insurance, accidental death and dismemberment insurance, short term disability insurance and optional long term disability insurance coverage to City employees and their eligible dependents, and associated policy renewals, in accordance with this Resolution at an estimated annual cost of \$609,402 annually allocated to the applicable months of FY19, FY20, and FY21, and subject to FY20 and FY21 budget approvals;

RESOLVED, That City Council approve the renewal of the policy for the period January 1, 2019 to December 31, 2020, with UNUM Life Insurance Company;

RESOLVED, That the City Council approve a ten percent (10%) contingency to be expendable from the Risk Fund, subject to City Administrator approval; and

RESOLVED, That the City Administrator is authorized and directed to execute the necessary documentation, after approval as to form by the City Attorney, and take any further necessary administrative actions to implement this Resolution.