



# City of Largo Agenda Item 23

Meeting Date  
10/02/18

Presenter: Susan Sinz, Human Resources Director

Department: HR – Human Resources

**TITLE:**

**RENEWAL OF RFP NO.16-P-560, GROUP & SUPPLEMENTAL LIFE AND AD&D LIFE INSURANCE TO VOYA FINANCIAL FOR A ONE YEAR PERIOD BEGINNING OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2019 IN THE ESTIMATED AMOUNT OF \$256,000**

The City of Largo issued an RFP on March 23, 2016 regarding the City of Largo's Group & Supplemental Life and Accidental Death & Dismemberment (AD&D) insurance. VOYA Financial (Reliastar) was awarded the bid with a rate guarantee of three (3) years. The City's estimated annual expenditure for Group & Supplemental Life and AD&D insurance is \$50,000. The employees' estimated annual expenditure is \$206,000.

The City of Largo provides Basic Life Insurance and AD&D insurance to benefit eligible employees, for which the City of Largo pays the premium costs. The Basic Life and AD&D amount is equal to annual salary rounded to the nearest \$500 with a minimum amount of \$15,000 (CWA \$30,000 minimum) and a maximum amount payable of \$250,000. The City's current Basic Life insurance rate is 0.075 and AD&D insurance rate is \$0.025 per \$1,000 of coverage per employee per month.

The City offers a Supplemental Life insurance plan, with premiums paid by employees through payroll deductions or Personal Insurance Credits (PIC). Employees may choose coverage of \$25,000, \$50,000, \$100,000, \$150,000, \$175,000, \$250,000 or \$500,000. Employees who select Supplemental Life may also select Spouse Life in \$10,000 increments up to \$100,000. Dependent Child life is also available to employees in the amount of \$2,000, \$5,000 or \$10,000. After retirement, retirees may continue term life insurance in the amount of \$10,000 or \$20,000 at the retiree's expense. The retiree premium is \$1.37 per \$1,000.

Life insurance is part of each department's personnel budget. Upon approval by the City Commission, the policy will date to October 1, 2018.

Budgeted Amount: \$50,000.00      Budget Page No(s): Various      Available Amount: \$50,000.00      Expenditure Amount: \$50,000.00

Additional Budgetary Information: Included in all department's individual personnel budgets.

Funding Source(s): Multiple      Sufficient Funds Available:  Yes  No      Budget Amendment Required:  Yes  No      Source: N/A

City Attorney Reviewed:  Yes  No  N/A      Advisory Board Recommendation:  For  Against  N/A      Consistent With:  Yes  No  N/A      Not Applicable

Potential Motion/Direction Requested: I MOVE TO APPROVE/DISAPPROVE RENEWAL OF RFP NO.16-P-560, GROUP & SUPPLEMENTAL LIFE AND AD&D LIFE INSURANCE TO VOYA FINANCIAL FOR A ONE YEAR PERIOD BEGINNING OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2019 IN THE ESTIMATED AMOUNT OF \$256,000.

Staff Contact: Lorraine Eastman, Benefits Supervisor      x7448      leastman@largo.com

Attachments: N/A