

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: \_\_\_\_\_

Meeting Type: Regular

Meeting Date: Sep 24, 2015

Action Requested By: Human Resources

Agenda Type: Resolution

Subject Matter:

Renewal agreement between the City of Huntsville and Lincoln Financial Group

Exact Wording for the Agenda:

Resolution authorizing the Mayor to execute a renewal agreement with Lincoln Financial Group for group life, AD&D, and LTD insurance and voluntary life and AD&D insurance.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

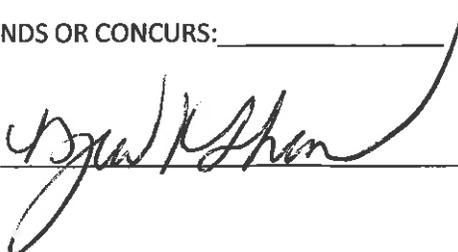
Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

This contract is needed to provide for the renewal of life, AD&D, and LTD insurance for employees through September 30, 2016.

Associated Cost: 316,869

Budgeted Item: \_\_\_\_\_

MAYOR RECOMMENDS OR CONCURS: \_\_\_\_\_

Department Head: 

Date: 9/18/15



**RESOLUTION NO. 15-\_\_\_\_\_**

**WHEREAS**, the City of Huntsville offers Life Insurance to its retirees and Life Insurance, Accidental Death and Dismemberment Insurance, and Group Long Term Disability Insurance to its employees through policies originally issued by Canada Life Insurance Company pursuant to an application submitted by the City as authorized by Resolution No. 02-812; and

**WHEREAS**, the policies were assumed by Lincoln Financial Group; and

**WHEREAS**, the City renewed the said policies with Lincoln Financial Group on September 13, 2012 pursuant to Resolution No. 12-790; and

**WHEREAS**, the City desires to renew the said policies for an additional one-year period;

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Huntsville, Alabama that the Mayor be and he is hereby authorized to execute a renewal between the City of Huntsville and Lincoln Financial Group, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as Renewal for Policy Number(s): 86-0053255, 86-0053256, 87-0067740 between the City of Huntsville and Lincoln Financial Group for Employee Life, AD&D, and Long Term Disability , and Voluntary Life and related documents consisting of two (2) pages and the effective date of September 24, 2015 appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

**BE IT FURTHER RESOLVED** that they Mayor be and he is hereby authorized to execute any subsequent documents necessary to secure the renewal of Policy Numbers 86-0053255, 86-0053256 and 87-0067740 with Lincoln Financial Group.

**RESOLUTION NO. 15-\_\_\_\_\_**

**ADOPTED** this the 24th day of September, 2015.

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President of the City Council of  
the City of Huntsville, Alabama

**APPROVED** this the 24th day of September, 2015.

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Mayor of the City of  
Huntsville, Alabama



Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

August 04, 2015

**The Lincoln National Life Insurance Company**  
 8801 Indian Hills Drive  
 Omaha, NE 68114-4066  
 toll free (800) 423-2765  
 www.LFG.com

City of Huntsville  
 308 Fountain Circle  
 Huntsville, AL 35801

RE: Renewal for Policy Number(s): 86-0053255, 86-0053256, 87-0067740

We are proud to provide your company with quality group products and services at a cost that delivers sound value.

Each renewal period, we analyze current benefit and rate structures to determine the appropriate rates for continued group insurance protection for your valued employees. This process includes recalculation of the premium rates to reflect factors like:

- plan features
- demographics
- nature of business
- experience
- any adjustments to our underlying rate structure

Based upon our review, your renewal rates, effective 10/1/2015, are as follows:

Coverage	Rate Basis	Current Rate	Current Monthly Premium	Renewal Rate	Renewal Monthly Premium	Renewal Monthly Premium Change	Rate Guarantee Until
Voluntary Life		Age Banded		No change to rates			10/1/2016
Voluntary Spouse Life		Age Banded		No change to rates			10/1/2016
Voluntary Child Life		0.108		0.108			10/1/2016
Life	per \$1,000	0.217	\$8,350.16	0.550	\$21,164.00	\$12,813.84	10/1/2016
AD&D	per \$1,000	0.020	\$769.60	0.040	\$1,539.20	\$769.60	10/1/2016
Long Term Disability	\$100 of covered payroll	0.095	\$2,512.42	0.140	\$3,702.51	\$1,190.09	10/1/2016
Premium Totals:			\$11,632.18		\$26,405.71	\$14,773.53	

The monthly premium shown is based upon current billed lives and volume.

**President of the City Council of the City of Huntsville, Alabama**  
 Date: \_\_\_\_\_

We appreciate your business and look forward to the continued opportunity to meet your group insurance needs. If you have any questions or if we can be of further assistance, please contact your local group representative at 1-800-523-2066.

Sincerely,

Jay Kotecha  
Group Underwriting

cc: 5TH AVE AGENCY INC  
2310 WHITESBURG DR S #7  
HUNTSVILLE, AL 35801

cc: Jon Bailey

**This letter serves as a policy amendment and should be kept with your policy.**

Lincoln Financial Group focuses on making life easier for you by doing business the way you want to do business - via the Web, telephone, IVR, e-mail and fax.

**We are committed to being there when you need us!**

Visit us on the web at [www.lincoln4benefits.com](http://www.lincoln4benefits.com) or contact us at 1 (800) 423-2765.