

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Sep 22, 2016

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, and Retiree life insurance through September 30, 2018

Associated Cost: \$292,668

Budgeted Item: Yes

MAYOR RECOMMENDS OR CONCURS: _____

Department Head: Byron K. Shaver

Date: 9/13/16

ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: Human Resources

Council Meeting Date: 9/22/2016

Department Contact: Cindy Lehman

Phone # 256-427-5244

Contract or Agreement: Contract Renewal for Group Life, AD&D and Long Term Disability insurance

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

City Obligation Amount: \$292,668

Total Project Budget:

Uncommitted Account Balance:

Account Number: 1005-00-00000-517066-00000000

Procurement Agreements

<u>Select...</u>	<u>Select...</u>
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Grant-Funded Agreements

<u>Select...</u>	Grant Name: <u></u>
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Department	Signature	Date
1) Originating	<i>[Signature]</i>	9/13/16
2) Legal	<i>[Signature]</i>	9/13/16
3) Finance	<i>[Signature]</i>	9-13-16
4) Originating		
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		

RESOLUTION NO. 16-_____

WHEREAS the City of Huntsville offers Life Insurance to its retirees, and Life Insurance, Accidental Death and Dismemberment (AD&D) insurance, and Group Long Term Disability insurance to its employees through policies issued by Lincoln Financial Group; and

WHEREAS the City of Huntsville desires to renew the policies for the period of October 1, 2016 through December 31, 2018; and

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, 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 Letter for Policy Number: 86-0053255; 86-87-0067740; 0053256 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 22, 2016 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.

ADOPTED this the 22nd day of September, 2016.

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

APPROVED this the 22nd day of September, 2016.

Mayor of the City of
Huntsville, Alabama



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

September 8, 2016

City of Huntsville
PO Box 308
Huntsville, AL 35801

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

RE: Renewal Letter for Policy Number: 86-0053255, 87-0067740, 86-0053256

It is our sincere pleasure to provide City of Huntsville with quality group products and services at a cost that delivers sound value. As part of our effort to ensure continuing quality products and service, each year we carefully review and analyze current benefit and rate structures to determine the appropriate premium levels to charge for continued group insurance protection for your valued employees.

As part of our review and analysis, along with any adjustment to the underlying rate structure, your premium rates are as follows:

	<u>Your Current Group Rates</u>	<u>Your Newly Calculated Rates Effective on 10/01/2016</u>	
Employee Life	\$0.550	\$0.400	per \$1,000 of benefit
AD&D	\$0.040	\$0.040	per \$1,000 of benefit
Long Term Disability	\$0.140	\$0.140	per \$100 of covered payroll
Voluntary Life	Age Banded	No change to rates	
Voluntary Spouse Life	Age Banded	No change to rates	
Voluntary Child Life	\$0.108	\$0.108	

In light of your recent request to change the policy anniversary date to better align with your other benefit programs, these rates are guaranteed for 27 months from the renewal date shown above. As such, your next renewal will take place 01/01/2019. **This renewal letter will serve in place of a policy amendment reflecting this rate change. Please keep this renewal letter with your policy records.**

Thank you for the opportunity to be of service to City of Huntsville. We appreciate your business and look forward to working with you in the future as we continue to meet your group insurance needs. If you have any questions, or if I can be of further assistance, please feel free to call me on our toll-free number: 1-800-423-2765.

Sincerely,

Wendi C Gross
Sr. National Account Manager
Lincoln Financial Group

cc:
5TH AVE AGENCY INC
801 FRANKLIN ST SE
HUNTSVILLE, AL 35801

**President of the City Council of the
City of Huntsville, Alabama**
Date: _____

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 or contact us at 1-800-423-2765.

Client Acknowledgement

Signature: _____

Mayor Tommy Battle

Date: _____