



City of Broken Arrow

Legislation Details (With Text)

File #: 17-2631 **Name:**

Type: Consent Item **Status:** Passed

File created: 8/30/2017 **In control:** Broken Arrow City Council

On agenda: 9/5/2017 **Final action:** 9/5/2017

Title: Approval of and authorization to ratify benefit renewal from Unum to provide long-term disability insurance to City employees

Sponsors:

Indexes:

Code sections:

Attachments: 1. Unum Benefit Renewal

Date	Ver.	Action By	Action	Result
9/5/2017	1	Broken Arrow City Council	approved	Pass

Broken Arrow City Council
Meeting of: 09-05-2017

To: Mayor and City Council
From: Office of the City Manager
Title:

Approval of and authorization to ratify benefit renewal from Unum to provide long-term disability insurance to City employees

Background:

As part of the employee benefit program, the City of Broken Arrow provides long term disability insurance to all full-time employees, except for those covered by a collective bargaining agreement.

The long-term disability benefit provides financial protection for employees by paying 60% of the employee's monthly earnings while disabled. The City pays 100% of the cost for this coverage.

Staff received a benefit renewal letter from Unum confirming adjustments to the existing rates were needed to better align premiums with the current costs and risks. Beginning September 1, 2017, the rate increased from 0.50% to 0.55% of gross wages. It is estimated, this will result in an annual increase in premiums of \$9,700.

Unum has been excellent to work with and provides exceptional customer service. Staff recommends approval of the benefit renewal. The funds are budgeted in the fiscal year 2017-18 Budget within departmental salaries and benefits.

Cost: \$106,500.00

Prepared By: Jannette McCormick, Human Resources Director

Reviewed By: Finance Department
Assistant City Manager - Administration

Legal Department

Approved By: Michael L. Spurgeon, City Manager

Attachments: Unum Benefit Renewal

Recommendation:

Approve and authorize the benefit renewal from Unum.