

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Office of Management & Budget/Insurance & Benefits

AGENDA DATE: October 28, 2008

CONTACT PERSON/PHONE: David Almonte, 541-4350

DISTRICT(S) AFFECTED: All
Terrence Freiburg, Purchasing Manager, 541-4313

SUBJECT:

Approve the increase in employer paid basic term life insurance from \$15,000.00 to \$50,000.00 per employee for all non-uniformed full-time employees of the City of El Paso effective January 1, 2009.

BACKGROUND / DISCUSSION:

Administration is requesting the approval of the increase in the amount basic term life insurance provided to non-uniformed City employees. The City of El Paso has provided employer-paid term life insurance of \$15,000.00 since the 1970s. Increasing the basic insurance to \$50,000 would:

- Provide greater economic protection to beneficiaries at the time of the employee's death,
- Keeps pace with the overall cost of funeral expenses,
- Serves as a good recruiting tool by increasing the overall benefit package for prospective employees,
- Allow employees to receive the maximum amount of employer provided group term life insurance without tax consequences.

Employees that are members of collective bargaining units would also qualify for the increase after execution of a Memorandum of Understanding between the City and the respective collective bargaining units.

PRIOR COUNCIL ACTION: Life insurance contract extension through December 31, 2009 with ING was passed by City Council on August 26, 2008.

AMOUNT AND SOURCE OF FUNDING: \$142,742.00 additional budgeted in Health Fund 502119-45121-04100248-04001.

BOARD / COMMISSION ACTION: N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: David Almonte 10-13-08
David Almonte, Director, Office of Management & Budget

APPROVED FOR AGENDA: _____

CITY MANAGER: _____ **DATE:** _____

**MOTION
AUGUST 26, 2008**

Motion made, seconded, and unanimously carried to **AUTHORIZE** the Purchasing Manager for Financial Services, Purchasing Division, to exercise the City's option to extend the current Contract 2004-193R Supplemental Life Insurance (Life, Dental, Vision, & Disability) for one additional year, pursuant to the provisions to an award approved by City Council on September 7, 2004. Contract period is September 1, 2008, through August 31, 2009.

Department:	Office of Management & Budget/Insurance & Benefits
Award to:	Block Vision United Concordia-Dental Safeguard Health Plans-Dental ING Employee Benefits-Life UNUM-Disability Coverage
Options:	Two [of two]
Account No.:	04100248 – 404469 – 45121
Funding Source:	Health Plan
Total Est. Award:	\$96,961

Richarda Duffy Momsen, City Clerk