



Legislation Text

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| Agenda Item: 7(a) | Prepared By: Leslie W. Sanford, Human Resources Manager |
| Business: Consent Agenda | Department: Executive |

Subject:

Approval of Employee Insurance Plans - Leslie Sanford, Human Resources Manager

BACKGROUND:

Attached for City Council's approval are the annual renewal contracts for employee health, dental, vision, life and disability insurance.

Each year the employee benefit committee meets with our Agent of Record, The Gehring Group, Inc., to review our insurance coverage and negotiate agreements for the new fiscal year. Annually our consultants negotiate on behalf of the City and obtain quotes, evaluate the costs versus the coverage, and give the City their recommendations. Staff recommends approval of the consultant's recommendation of proposed coverage, as we believe it is in the best interest of the City.

EMPLOYEE INSURANCE RENEWAL

Our Agent of Record, The Gehring Group, Inc., presented the renewal to City Staff on August 23, 2022. The premium rate for health insurance has increased by 3% for the upcoming year. The dental insurance carrier remains the same and premiums have increased by 7%. The vision insurance carrier remains the same and premiums have increased by 5%. Gehring Group has negotiated a 2-year rate lock for dental and vision premiums. The rate for life insurance, short-term and long-term disability remain the same for FY23. The budget is allocated to each department and is sufficient to fund the premium as presented.

FUNDING SOURCE / FISCAL IMPACT:

A health insurance premium increase of 3%, represents an approximately \$52,528 annual increase to the City. The 7% premium increase for Dental insurance represents an approximately \$1,315 annual increase to the City. The increase was budgeted citywide in the approved FY23 budget. The 5% premium increase for vision insurance is borne solely by the employee. The rate for life insurance and short-term and long-term disability remain the same for FY23.

RECOMMENDATION:

Authorize the City Manager to execute the Contracts for employee health, dental, vision, life, and disability insurance.

POTENTIAL MOTION: "I move approval of employee insurance plans."

