

TOWN OF GOLDEN BEACH, FLORIDA

RESOLUTION NO. 2756.21

A RESOLUTION OF THE TOWN OF GOLDEN BEACH, FLORIDA, ACCEPTING THE BENEFIT PROPOSAL FOR SHORT TERM/LONG TERM DISABILITY INSURANCE, LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE SUBMITTED BY MUTUAL OF OMAHA INSURANCE; PROVIDING FOR CONDITIONS; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town wishes to provide disability and life insurance to its employees; and

WHEREAS, Mutual of Omaha Insurance ("Mutual") has provided the Town with a competitive unchanged rate for the last fourteen fiscal years; and

WHEREAS, the Town Council has determined that Mutual is a responsible provider, offering a decrease in rate with the same services for two more fiscal years for short term/long term disability, and life and accidental death and dismemberment insurance; and

WHEREAS, the Town Council finds that the proposals offered by Mutual are in the best interest of the Town.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF GOLDEN BEACH, FLORIDA, AS FOLLOWS:

Section 1. Recitals Adopted. Each of the above recitals are hereby adopted, confirmed and incorporated herein.

Section 2. Proposal Accepted. The proposals presented by Mutual for short term/long term disability, and life and accidental death and dismemberment insurance,

as described and set forth in the Agenda Item Report attached hereto and incorporated herein, are hereby accepted.

Section 3. Conditions. The acceptance of this proposal is conditioned upon the guarantee of the current proposed fixed rates for two fiscal years as stated in the attached proposal letter between the Town and Mutual and the approval of the Town Attorney of the proposal letter and any related agreements as to form and legal sufficiency. Once so approved, the Town Mayor is hereby authorized to execute said proposal or other agreement on behalf of the Town.

Section 4. Implementation. The Mayor and Town Manager are hereby authorized to take any and all action necessary to implement this Resolution in accordance with its terms and conditions including, but not limited to, the designation of a new agent of record.

Section 5. Effective Date. That this Resolution shall become effective immediately upon approval of the Town Council.

Sponsored by the **Town Administration**

The Motion to adopt the foregoing Resolution was offered by Vice Mayor Lusskin seconded by Councilmember Mendal and on roll call the following vote ensued:


Mayor Glenn Singer	<u>Aye</u>
Vice Mayor Judy Lusskin	<u>Aye</u>
Councilmember Bernard Einstein	<u>Aye</u>
Councilmember Jaime Mendal	<u>Aye</u>
Councilmember Kenneth Bernstein	<u>Aye</u>

PASSED AND ADOPTED by the Town Council of the Town of Golden Beach, Florida, this 31st day August, 2021.

ATTEST:



MAYOR GLENN SINGER



LISSETTE PEREZ
TOWN CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:



STEPHEN J. HELFMAN
TOWN ATTORNEY



TOWN OF GOLDEN BEACH

One Golden Beach Drive
Golden Beach, FL 33160

MEMORANDUM

Date: August 31, 2021

To: Honorable Mayor Glenn Singer &
Town Council Members

From: Alexander Diaz, 
Town Manager

Subject: **Resolution No. 2756.21 – Accepting the benefit proposal for short term/long term disability insurance, life, and accidental death and dismemberment insurance submitted by Mutual of Omaha for the 2021/2022 Fiscal Year**

Item Number:

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Recommendation:

It is recommended that the Town Council adopt the attached Resolution No. 2756.21 as presented.

Background:

I recommend that the Town Council renew the short term disability, long term disability, life insurance and accidental death and dismemberment insurance with Mutual of Omaha Insurance.

Mutual of Omaha has provided the Town with competitive short term disability, long term disability, life insurance, and accidental death and dismemberment insurance for the last fourteen (14) fiscal years in accordance with the applicable codes and ordinances of the Town.

This year we will receive a rate pass in our renewal premiums in comparison to the Town's current premiums (attachment "A").

The new short term disability, long term disability, life insurance and accidental death and dismemberment plans will go into effect October 1st, 2021, pending Town Council approval.

The benefits and features of the short term disability are:

- Mutual of Omaha only requires a 1% loss of earnings to be eligible for benefits.
- If an employee is working part-time and making 50% of their earnings, Mutual of Omaha will give them the other 50% to make them whole.
- Mutual of Omaha will consider a part-time disabled employee disabled until they can earn 99% of their income. The employee will be entitled to a partial benefit until he/she fully recovers his/her earnings.
- The short term disability premium will stay at a yearly amount of \$7,015.92.

The benefits and features of the long term disability are:

- Mutual of Omaha only requires a 1% loss of income in your own occupation to be eligible for benefits.
- If an employee is working part-time in the “any occupation period,” Mutual of Omaha will consider that person partially disabled until he/she is able to earn more than 85% of his/her pre-disability earnings.
- Mutual of Omaha has a separate 24 month limitation for alcohol/substance abuse, and mental disorder, as opposed to a combined lifetime limitation.
- Mutual of Omaha has an unlimited return to work incentive. If the employee is working part-time, Mutual of Omaha will not offset any work earnings unless the work earnings and Mutual of Omaha’s benefit exceed 100% of his/her pre-disability income.
- The long term disability premium will stay at a yearly amount of \$17,075.40.

The benefits and features of the life insurance and accidental death and dismemberment insurance are:

- Seat Belt Benefit – If the employee is injured in a car accident while wearing a seat belt, and that injury results in death, a benefit is payable equal to 10% of the Principal Sum, up to \$50,000.
- Common Carrier Benefit – If the employee is injured while riding as a fare-paying passenger, and not as an operator or member of the crew, in any public air, land or water conveyance provided by a common carrier primarily for passenger service, and that injury results in death, a benefit is payable equal to 100% of the Principal Sum, up to the lesser of the plan maximum or \$1,000,000.
- Airbag Benefit – If the employee is injured in an automobile accident, an airbag is in use and that injury results in death, the benefit is equal to 10% of the Principal Sum, up to \$50,000.
- Child Education Benefit – If the employee is injured and that injury results in death, benefits are payable equal to 5% of the Principal

Sum, up to \$5,000. This benefit will be payable at the end of each school year for a maximum of four consecutive years, and will be paid to the eligible dependent, student, or, if a minor child, to the student's legal guardian.

- Paralysis Benefit – Benefits for additional losses:
 - Loss – Quadriplegia / Benefit – Principal Sum
 - Loss – Triplegia / Benefit – $\frac{3}{4}$ of the Principal Sum
 - Loss – Paraplegia or Hemiplegia / Benefit – $\frac{1}{2}$ of the Principal Sum
 - Loss – Uniplegia / Benefit – $\frac{1}{4}$ of the Principal Sum
- The life and accidental death and dismemberment insurance will stay at \$9,653.04.

Short and Long Term Disability for the Town Manager require an individual policy as the Group Policy is not sufficient to cover his salary. His Individual Policies are administered through AFLAC for the short term and The Standard Insurance Company for the long term.

Fiscal Impact:

There is a rate pass, no increase from last fiscal year to the Town's current rate with Mutual of Omaha.

The Town Manager's AFLAC rate of \$949.44 and Standard Insurance rate of \$1,478.56 are fixed and therefore will not increase in F/Y 2021-2022.



Renewal Information and Exhibits

Prepared For:

Town of Golden Beach

Group ID: G000757J

Renewal Effective Date: October 1, 2020



Thank you for choosing Mutual of Omaha Insurance Company or one of its affiliates, as Town of Golden Beach's benefits provider. It has been our pleasure to provide Town of Golden Beach with group benefits and services that are unique to its needs. We are committed to providing unparalleled service that will meet the needs of our customers.

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
- Experience
- Any adjustments to our underlying rate structure

Based on our review, please find below the renewal rates for Town of Golden Beach's benefit plans. We appreciate your business and look forward to the continued opportunity to meet your group insurance needs.

Renewal Contact Information

Gregory Hunter
Sr Renewal Executive
South Florida Group Office
407/691-3357
Gregory.Hunter@mutualofomaha.com



TOWN OF GOLDEN BEACH

LIFE AND AD&D

Rate Guarantee Period - October 1, 2020 to October 1, 2022

Additional Value Added Services Included - Travel Assistance/Identity Theft Assistance

Life

Class Description

All eligible employees

Employee Rate Basis - per \$1,000

Lives	Volume	Current Rate	Renewal Rate
50	\$2,752,850	\$0.250	\$0.250

AD&D

Class Description

All eligible employees

Employee Rate Basis - per \$1,000

Lives	Volume	Current Rate	Renewal Rate
50	\$2,752,850	\$0.030	\$0.030



TOWN OF GOLDEN BEACH

SHORT-TERM DISABILITY

Rate Guarantee Period - October 1, 2020 to October 1, 2022

STD

Class Description

All eligible employees

Employee Rate Basis - per \$10 of Total Weekly Benefit

Lives	Volume	Current Rate	Renewal Rate
50	\$33,400	\$0.168	\$0.168



TOWN OF GOLDEN BEACH

LONG-TERM DISABILITY

Rate Guarantee Period - October 1, 2020 to October 1, 2022

Additional Value Added Services Included - Employee Assistance Program (EAP)

Class Description

All eligible employees

Employee Rate Basis - per \$100 of Monthly Covered Payroll

Lives	Volume	Current Rate	Renewal Rate
50	\$236,523	\$0.577	\$0.577