



## Legislation Text

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**File #:** 3092-2016, **Version:** 1

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**BACKGROUND:** As a result of a Request For Proposal process in accordance with Chapter 329 of the Columbus City Code, four life insurance bid responses were reviewed by the City's Evaluation Committee, comprised of five members. Each proposal was evaluated on the following criteria: competency to perform, quality and feasibility of the offerors technical proposal, ability to perform the required service competently, past performance, and the cost structure of the proposal. Dearborn National Life Insurance Company is recommended as the Life insurance administrator. The contract is for a three-year period, subject to annual appropriation; this ordinance represents the first year. The contract is effective February 1, 2017 until January 31, 2018.

To maintain insurance programs in accordance with the negotiated labor contracts, additional funding of the life insurance program is necessary to insure continuation of employee insurance coverage. Cost estimates were based on 2015-16 trust fund expenditures using a two year average of actual city utilization, expected changes due to union negotiations, as well as input from insurance carriers.

Emergency action is requested to ensure the life insurance program for city employees is able to commence as soon as contractually possible, thereby maintaining continuity of service.

Contract Compliance number: 36-2598882

**FISCAL IMPACT:** To enter into contract with Dearborn National Life Insurance Company to establish the maximum obligation liability, and to authorize the expenditure of \$1,000,000 for life insurance services from February 1, 2017, through January 31, 2018. Funding is available in the 2017 budget for this contract. This ordinance is an emergency measure to ensure continued insurance coverage as negotiated by union contracts. Contingent on the passage of ordinances 3081-2016.

To authorize the Human Resources Director to enter into contract with Dearborn National Life Insurance Company to provide all eligible employees life insurance coverage from February 1, 2017, through January 31, 2018, and to authorize the expenditure of \$1,000,000.00 from the Employee Benefits Fund, or so much thereof as may be necessary to pay the costs of said contract; and to declare an emergency. (\$1,000,000.00)

**WHEREAS,** it is in the best interest of the City of Columbus to enter into contract with Dearborn National Life Insurance Company to provide all eligible employees life insurance from February 1, 2017 through January 31, 2018; and

**WHEREAS,** it is necessary to authorize the expenditure of up to \$1,000,000, or so much thereof as may be necessary to pay contract costs for life insurance services; and

**WHEREAS,** an emergency exists in the usual daily operation of the Department of Human Resources in that it is immediately necessary to enter into contract with Dearborn National Life Insurance Company to ensure the life insurance program for city employees is able to commence as soon as contractually possible, thereby maintaining continuity of service;

Now, Therefore,

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Human Resources Director is hereby authorized to enter into contract with Dearborn National Life Insurance Company to provide life insurance to all eligible employees from February 1, 2017 through January 31, 2018.

**SECTION 2.** That the expenditure of \$1,000,000 or so much thereof as may be necessary for coverage is hereby authorized to be expended as follows:

Department: 4602 | Fund: 5502 | Subfund: 550203 | Program: RM005

**SECTION 3.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

**SECTION 4.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage, if the Mayor neither approves nor vetoes the same.