



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 06/06/05
05-330

Communication No.:

Agenda Item Type: Resolution
No.:

Roll Call

Submitted by: Tom Turner, Human Resources Director

SUBJECT—

Contract renewal for Long Term Disability insurance for SPM, CIPEC, MEA and AFSCME Employees.

SYNOPSIS—

Renew contract and authorize the Mayor and City Clerk to execute and attest, respectively, the Principal Financial Group (J. Barry Griswell, CEO, Des Moines, Iowa) Long Term Disability Insurance plan renewal for and on behalf of the City of Des Moines for the period beginning July 1, 2005 through June 30, 2007.

FISCAL IMPACT—

\$530,000

RECOMMENDATION—

Approval

BACKGROUND—

The City, through various agreements with unions and the SPM group, provides a long-term disability benefit plan. This benefit provides income replacement of an employee's salary in the

event they are unable to work due to an illness or accident. The income provided by this benefit ranges from 60% to 66.67% of an employee's base salary. Principal Financial Group was the successful bidder for this benefit in 2000. The City solicited quotes again in the fall of 2003 and Principal was the only responder. This year, Principal has provided a two-year guarantee of no change from current rates.