



City of Smyrna

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Issue Sheet

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Status: ATS Review

In Control: City Council

File Type: Agreement

Agenda Number: H.

WARD / COUNCILMEMBER: City Wide

\$ IMPACT:

Agenda Title:

Approval of MetLife Insurance Company's 2021 Life and AD&D Insurance Renewal with no rate increase, with the stipulation that this product line will not be marketed by our broker at this time and authorize Mayor to execute related documents.

ISSUE AND BACKGROUND:

The City of Smyrna provides all full-time regular employees with Basic Life Insurance equal to 1 ½ times base annual earnings to a maximum of \$100,000. For All Retired* Employees, the City provides life insurance equal to .75 times the base annual earnings amount in effect immediately before the date of retirement, to a maximum of \$100,000.

*To qualify for this benefit a retiree must have been employed by the city immediately preceding retirement.

The carrier for employee and retiree life is MetLife (Metropolitan Life Insurance Company).

- MetLife has offered a 0% renewal on the life insurance for 2021 if the City agrees not to go to the market
- If the City markets the life insurance, the renewal would be +9% which equates to an increase of \$15,925
- The broker's initial discussions with other vendors has indicated that they would not be competitive due to the large number of covered retirees as compared to the active population

RECOMMENDATION / REQUESTED ACTION:

Approval of MetLife Insurance Company's 2021 Life and AD&D Insurance Renewal with no rate increase, with the stipulation that this product line will not be marketed by our broker at this time and authorize Mayor to execute related documents.