

CITY OF COMMERCE ADMINISTRATIVE POLICIES

LIFE INSURANCE

1.0 PURPOSE

To define procedures for the administration and eligibility for life insurance.

2.0 POLICY

2.1 Full-time employees are provided a term life insurance policy provided by the City in the amount of two (2) times the employee's annual earnings, rounded to the next \$1,000.

2.2 The city pays 100% of the cost of life insurance for city employees.

2.3 Employees may purchase dependent life insurance by payroll deduction.

2.4 Regular part-time employees may be granted the option of enrolling in the City's life insurance program on a pro-rata basis.

2.5 Coverage is effective thirty (30) days after date of employment and continues until the employee leaves the City's employment or the policy is discontinued completely by the City for some reason.

2.6 Termination under the policy will be determined when premium payment for such employee's insurance is discontinued.

2.7 Specific benefits and terms of the policy are provided each new employee.

3.0 PROCEDURES

3.1 Enrollment cards will be completed in the following instances:

A. New employees beginning service with the City.

B. Employees wanting to add an eligible dependent (within 30 days of hire date or during open enrollment which is in September of each year).

C. Employees who want to drop a dependent.

3.2 Enrollment cards are available in the Accounting Supervisor's office.

3.3 It is the employee's responsibility to notify the Accounting Supervisor of any change in

dependent status by completing updated enrollment cards.

- 3.4 It is the employee's responsibility to keep information related to this policy up-to-date as to name, address, and beneficiary(s).

EFFECTIVE: 06-01-97

LAST REVISED: 02-04-04

CITY MANAGER APPROVAL:

Bill Shipp

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