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## PERMANENT LIFE INSURANCE

RFP 23-14

### ADDENDUM NO. 1

June 26, 2023

Request for Proposal No.: RFP 23-14  
Opening Date and Time: 2:00 PM, July 7, 2023

The City of Fairbanks (City) is responding to questions regarding RFP #23-14 Permanent Life Insurance as follows:

- 1. Could you please provide the information requested and return to me as soon as possible in order for us to provide a competitive program in our RFP Response [Form included First Name, Last Name, Gender, Hire Date, Birth Date, 2023 Annual Base Income, 2022 Paid Bonus (if applicable), Rank/Title, State Residence, Residence Zip Code, Proposed Insurance Amount]?**

City will provide personal information to the selected proposer. The current City staffing is as follows:

Age Range	Number of Males	Number of Females
26-30	2	3
31-35	6	1
36-40	4	0
41-45	9	1
46-50	3	0
51-55	2	0

- 2. Do you currently offer this coverage? If so, how many policies are in place? How long have the policies been in place?**

The City currently do not offer this type of coverage. We are seeking an additional benefit for thirty-seven full-time commissioned officers at the Fairbanks Police Department. The benefit should provide living benefits and lifetime income. During our research, we determined that we

can only offer specific employees this type of benefit through a permanent life insurance plan. If the proposer has another plan that can provide this type of benefit, we encourage the proposer to include the information in the proposal.

**3. What amount of coverage are you looking for on each officer?**

The City will make an annual payment of \$10,000 per employee until retirement or resignation. See response to Q6 for more information.

**4. The RFP indicates you want to contract for 5 years – are you looking for policies that will be paid in full in 5 years or does that mean the City will pay the premium for 5 years and then the employee will be responsible for paying the premiums? Or does this simply mean the time of the contract with the selected firm will be renegotiated after 5 years?**

The City will renegotiate the contract every five years.

**5. What is the average age of the officers who will be covered?**

See response to Q1.

**6. Who will own the policies? Will the City own and be the beneficiary or will the employee own and designate the beneficiary?**

The City intends to own the policy until the employee has thirteen years of service with the City of Fairbanks; however, the proposer may have a different recommendation.

**7. How does the City plan to fund the premiums for the plan on the officers? Do they intend to include the premiums as taxable income to the officers (bonus plan) or fund with an alternative strategy?**

See response to Q3.

**8. What happens if an officer leaves/retires, are they then responsible for the funding on their own?**

If the employee retires or resigns after thirteen years of service to the City of Fairbanks, the employee will be responsible for future funding.

**9. In the future, will additional officers be eligible for the program once they hit a certain status with the Department?**

The RFP is based on the current proposed level of staffing; if the number of officers increase, the City will add additional officers to the plan.

**10. Would there be a vesting schedule on the policy?**

See response to Q6.

**11. The RFP asks for information about living benefits and lifetime income; is the goal to use the policy to provide retirement income for the employees or to provide a death benefit?**

The City is seeking a plan that can provide both for the employee.

This amendment must be acknowledged by manually signing this amendment sheet and submitting it with the sealed bid documents.

All other terms, conditions, and specifications of the original Request for Proposal remain unchanged.

CITY OF FAIRBANKS



Christina Rowlett  
Risk Manager/Purchasing Agent

ACKNOWLEDGEMENT

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Signature

\_\_\_\_\_  
Date