

**VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL WORKSHOP
MARCH 28, 2006 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Contract for Life and Accidental Death and Dismemberment Insurance with National Insurance Services	✓ Resolution Ordinance Motion Discussion	Greg Zimmerman, Director of Human Resources

SYNOPSIS

A resolution has been prepared authorizing approval of a contract extension through December 31, 2006 with National Insurance Services life and accidental death and dismemberment insurance in an amount not to exceed \$38,000.

FISCAL IMPACT

Approval of this contract extension will result in a monthly expenditure from the Health Insurance Fund. The recommended FY2006-07 budget includes \$44,000 (2/3 of \$66,000) during the 8-month fiscal year for this contract.

RECOMMENDATION

Approval on the April 4, 2006 Consent Agenda.

BACKGROUND

The Village of Downers Grove provides term life and accidental death and dismemberment (AD&D) insurance to all Village personnel who are budgeted to work 1000 hours or more per year. All non-supervisory personnel receive a benefit level of \$30,000, while supervisory employees receive a benefit level of two times their annual salary (maximum \$200,000). Life/AD&D benefits are also offered to eligible employees of the Downers Grove Park District, SEASPAR, and the Downers Grove Library. Village retirees under 65 also are offered coverage (life only) at a level of \$15,000, with coverage being reduced as the retiree grows older. All of the entities outside of the Village contribute 100% of the premium cost for coverage on their employees and retirees also pick up 100% of the premium.

Currently the Village contracts with National Insurance Services (NIS) for administration of the Life/AD&D program. The contract with NIS expires May 31, 2006. At this time, staff is requesting a seven (7) month extension of the current contract. This extension will bring the Life/AD&D contract in line with other January 1 benefit renewals. Prior to January 1, 2007 staff will work with the Village's benefits consultant to obtain bids for this service to make sure that the Village is receiving competitive costs and services. NIS is agreeable to the seven (7) month extension and there will be no increase in their rate during this time.

ATTACHMENTS

Contract extension with National Insurance Services
Resolution

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF AN
AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE AND
NATIONAL INSURANCE SERVICES OF WISCONSIN, INC.**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois,
as follows:

1. That the form and substance of a certain Agreement (the “Agreement”), between the Village of Downers Grove (the “Village”) and National Insurances Services of Wisconsin, (“NIS”), for life and accidental death and dismemberment insurance, as set forth in the form of the agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Mayor and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____
Village Clerk

EXTENSION TO THE CONTRACT BETWEEN THE VILLAGE OF DOWNERS GROVE AND NATIONAL INSURANCE SERVICES

The Village of Downers Grove, Illinois (the "Village") and National Insurance Services entered into an agreement for life and accidental death and dismemberment insurance on or about June 1, 2004, with the contract extending to May 31, 2006. Pursuant to the terms stated therein, the parties desire to extend that contract for an eight (8) month period for the following terms:

1. All prior terms from the 2004 Agreement (Amendment number three (3) to the National Insurance Services Trust Joinder Agreement for group life insurance) remain in full force and effect.
2. National Insurance Services agrees to provide the services at the same rate as listed in the 2004 Agreement.
3. This extension shall continue for an seven (7) month period, beginning June 1, 2006 and ending December 31, 2006.

VILLAGE OF DOWNERS GROVE

Signature – Brian J. Krajewski

Title – Mayor


Attest: _____
April Holden, Village Clerk

Date: _____

NATIONAL INSURANCE SERVICES


Signature – ERIC HOFHINE


Title –

Attest: 
Corporate Secretary SERVICE REPRESENTATIVE

Date: 3/8/06

DOREEN CASSAWAY