



ST. CHARLES  
SINCE 1834

## AGENDA ITEM EXECUTIVE SUMMARY

Title:	Proposal from Laurus Strategies in the amount of \$40,000 for benefit consulting/management services for fiscal year 2012/13.
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Presenter:	Lynn Creedon
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*Please check appropriate box:*

<input checked="" type="checkbox"/>	Government Operations – 5/21/12		Government Services
<input type="checkbox"/>	Planning & Development		City Council
<input type="checkbox"/>	Public Hearing		

Estimated Cost:	\$40,000	Budgeted:	YES	<input checked="" type="checkbox"/>	NO	
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If NO, please explain how item will be funded:

**Executive Summary:**

Attached is a letter of agreement with Laurus Strategies, dated April 12, 2011, to provide benefit strategy, design, pricing, procurement, and ongoing management of the City’s health plans for two years at \$40,000 for each fiscal year. This is the second year of that agreement. The price has not increased since 2008. The next RFP/review process for insurance administration services is scheduled for fall 2012.

**Attachments:** *(please list)*

Resolution  
Agreement Letter with Laurus Strategies dated April 12, 2012

**Recommendation / Suggested Action** *(briefly explain):*

Recommend approval of a Resolution Authorizing the Director of Human Resources to Execute a Letter of Agreement with Laurus Strategies for Benefits Consulting/Management Services for FY12/13.

*For office use only:*

*Agenda Item Number: 4a*

**City of St. Charles, Illinois**  
**Resolution No. \_\_\_\_\_**

**A Resolution Authorizing the Director of Human Resources  
to Execute A Letter of Agreement between the  
City of St. Charles and Laurus Strategies**

**Presented & Passed by the  
City Council on \_\_\_\_\_**

WHEREAS, the Human Resources Department conducted a formal and comprehensive proposal and review process in 2011 for benefit administration; and

WHEREAS, this formal review and proposal process determined that Laurus Strategies provided the best service at the best cost for administration of City employee benefits; and

WHEREAS, the City Council approved a Letter of Agreement with Laurus Strategies dated April 12, 2011, in 2011 to provide benefit strategy, design, pricing, procurement, and ongoing management of the City's health plans for two years at \$40,000 for each fiscal year; and

WHEREAS, the fiscal year 2012/2013 is the second year of this two-year Letter of Agreement; and

WHEREAS, the next formal review and proposal process is scheduled for early 2013.

NOW THEREFORE, be it resolved by the Mayor and City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, that the attached Letter of Agreement between the City of St. Charles and Laurus Strategies, dated April 12, 2011, to provide benefit administration of the City's health plans for fiscal year 2012/13 is hereby approved and the Director of Human Resources is authorized to sign same.

PRESENTED to the City Council of the City of St. Charles, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

PASSED by the City Council of the City of St. Charles, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

APPROVED by the Mayor of the City of St. Charles, Illinois, this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Resolution No. \_\_\_\_\_  
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Donald P. DeWitte, Mayor

ATTEST:

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City Clerk

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain:

Laurus Strategies  
55 West Monroe  
Suite 500  
Chicago, IL 60603  
Tel: (312) 431-0450



People. Capital. Risk.

April 12, 2011

Ms. Lynn Creedon  
The City of St. Charles  
2 East Main Street  
St. Charles, IL 60174-1984

**Re: Letter of Agreement**

Dear Lynn:

This letter serves to provide a written understanding of the services Laurus Strategies, Inc. will provide to The City of St. Charles and the fee arrangement for those services. Laurus will assist The City with overall benefit strategy, design, pricing and the procurement and ongoing management of the Health and Welfare plans.

The final fee structure as agreed to is as follows:

**Fees:**

- ◆ May 1, 2011 through April 30, 2012 - \$40,000
- ◆ May 1, 2012 through April 30, 2013 - \$40,000

**Assumptions:**

- Centralization of decision making for benefit strategy and implementation
- Quarterly centralized service meetings
- 300 estimated employees
- Benergy site maintenance
- Services commence May 1, 2011
- Fees assume a two year commitment
- Payments due upon receipt of monthly invoices

If there is a change in the scope of the activities agreed upon, Laurus Strategies reserves the right to modify its fees based on Laurus Strategies hourly billing rates at the time of the change.

This agreement will remain in effect for two years and renews automatically unless either party to this agreement provides 90 day written notice of change in the terms of this agreement.

Sincerely,

Robert J. Dorsey  
Principal

Accepted by City of St. Charles:

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_