

VILLAGE OF VERNON HILLS

ORDINANCE NO. 2018-128

AN ORDINANCE TO AUTHORIZE THE EXECUTION OF AN EMPLOYMENT  
AGREEMENT WITH VILLAGE MANAGER MARK FLEISCHHAUER

THE 5<sup>th</sup> DAY OF SEPTEMBER 2018

Published in pamphlet form by the Authority of the  
President and Board of Trustees of the Village of  
Vernon Hills, Lake County, Illinois, this  
5th Day of September 2018



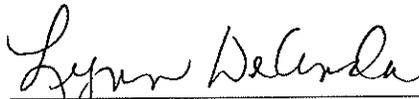
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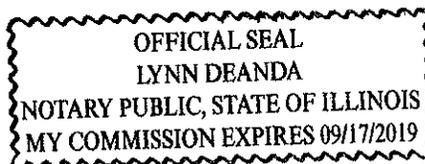
STATE OF ILLINOIS     )  
  )  
COUNTY OF LAKE        )

I, MARK FLEISCHHAUER, BEING FIRST DULY APPOINTED, DEPOSES AND SAYS ON OATH THAT AS VILLAGE CLERK OF THE VILLAGE OF VERNON HILLS, HE DID CAUSE THE FOREGOING CERTIFICATE FOR ORDINANCE NO. 2018-128 AN ORDINANCE TO AUTHORIZE THE EXECUTION OF AN EMPLOYMENT AGREEMENT WITH VILLAGE MANAGER MARK FLEISCHHAUER TO BE POSTED IN THE VILLAGE HALL AS REQUIRED BY LAW FROM SEPTEMBER 11 TO SEPTEMBER 21, 2018

  
\_\_\_\_\_  
Mark Fleischhauer  
Village Clerk

SUBSCRIBED AND SWORN TO BEFORE  
THIS 5th DAY OF SEPTEMBER 2018

  
\_\_\_\_\_  
Notary Public



**ORDINANCE NO. 2018-128**

**AN ORDINANCE TO AUTHORIZE THE EXECUTION  
OF AN EMPLOYMENT AGREEMENT WITH  
VILLAGE MANAGER MARK FLEISCHHAUER**

WHEREAS, Mark Fleischhauer has been appointed as Village Manager of the Village of Vernon Hills;

WHEREAS, the Village of Vernon Hills and Mark Fleischhauer have mutually negotiated and agreed upon the terms of an employment agreement; and

WHEREAS, the employment agreement is attached hereto as Exhibit A

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES  
OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS, AS FOLLOWS:**

**SECTION I.** That the Village President is authorized to execute and the Village Clerk is hereby authorized to attest to the employment agreement entitled, "Employment Agreement" with Mark Fleischhauer, said agreement being attached hereto as Exhibit A.

**SECTION II. EFFECTIVE DATE.** That this Ordinance shall be in full force and effect upon its passage and approval of the corporate authorities of the Village.

**SECTION III. ORDINANCE NUMBER.** This Ordinance shall be known as Ordinance 2018-128.

Dated this 5th day of September 2018

Adopted by roll call votes as follows:

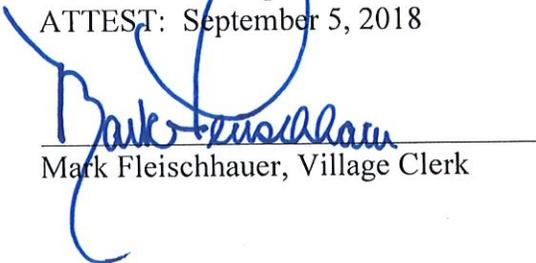
AYES: 6 – Brown, Oppenheim, Takaoka, Schultz, Marquardt, Koch

NAYS: 0 - None

ABSENT AND NOT VOTING: 0 - None

  
\_\_\_\_\_  
Roger L. Byrne, Village President

PASSED: September 5, 2018  
APPROVED: September 5, 2018  
ATTEST: September 5, 2018

  
\_\_\_\_\_  
Mark Fleischhauer, Village Clerk

## EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made and entered into this \_\_\_ day of August, 2018 by and between THE VILLAGE OF VERNON HILLS, an Illinois municipal corporation (hereinafter called "Employer") and MARK FLEISCHHAUER (hereinafter called "Employee") as follows:

### WITNESSETH:

WHEREAS, Employer desires to employ the services of said, Mark Fleischhauer as Village Manager of the Village of Vernon Hills after successfully serving as interim Village Manager since March, 2018 all as provided by Ordinance; and

WHEREAS, it is the desire of the Mayor and Village Board of Trustees (hereinafter called "Board") to provide certain benefits, establish certain conditions of employment and to set working conditions of said Employee; and

WHEREAS, it is the desire of the Board to:

- A. Secure and retain the services of Employee and to provide inducement for him to remain in such employment;
- B. To make possible full work productivity by assuring Employee's morale and peace of mind with respect to future security;
- C. To act as a deterrent against malfeasance or dishonesty for personal gain on the part of Employee; and
- D. To provide a just means for terminating Employee's services at such time as he may be unable fully to discharge his duties due to age or disability or when Employer may otherwise desire to terminate his employ; and

WHEREAS, Employee desires to accept permanent employment as Village Manager effective September 1, 2018'

In consideration of the mutual covenants and promises in this Agreement, IT IS UNDERSTOOD AND AGREED:

1. Duties. Effective September 1, 2018, Mark Fleischhauer shall serve the Village of Vernon Hills as its Village Manager to perform the functions and duties specified in said Ordinance of the Village, and to perform other legally permissible and proper duties and functions as the Board and/or the Mayor shall from time to time assign.

2. Term. This Agreement shall be in full force from September 1, 2018 until terminated by either party as provided below paragraphs 2(a) and 7(a) & 7(b).

- a. At-Will Employment Relationship. Employer and Employee agree that Employee's employment shall be "at-will" may be terminated by either party at any time either with or without cause. Nothing in this agreement shall be construed to constitute a guarantee of future employment and or a guarantee of employment for a specified period of time.

3. Salary. Employer agrees to pay Employee for his services rendered pursuant hereto an annual base salary of \$180,000 payable in installments at the same time as other employees of the Employer are paid. Employee shall be eligible for increases in his base salary and/or other benefits as the Board may from time to time determine.

4. Performance Evaluation.

- a. The Board shall review and evaluate the performance of the Employee at least once annually in advance of the adoption of the annual operating budget.
- b. Annually, the Board and Employee shall define such goals and performance objectives which they determine necessary to properly operate the Village and into implement and effect the Board's policy objectives.

5. Outside Activities. Employee shall not spend more than five (5) hours per week in teaching, counseling or other non-Employer connected business without the prior approval of the Board, and shall not interfere with any required meetings or functions of the Village.

6. Benefits. In addition to the compensation outlined above, the Village agrees to provide the following employment benefits:

- a. Health Insurance. The Village agrees to provide Fleischhauer (and his family if he so elects) with health insurance through the Village health plan. Fleischhauer shall be entitled to elect such health and other coverages as he chooses, on the same terms, conditions and employee contribution as other Village employees.

- b. Car Allowance. The Village will pay on a monthly basis a car allowance of \$500 per month to defray all costs associated with Fleischhauer's use of his personal vehicle for Village business. This amount is intended as the sole remuneration for all expenses associated with Fleischhauer's use of his personal vehicle, including but not limited to fuel, oil, wear and tear, maintenance, insurance and all other expenses associated with the operation of that vehicle.
- c. Deferred Compensation in Lieu of Pension Contribution. The Village agrees to pay to into Fleischhauer's deferred compensation account ("457 plan") or such other account as he may designate (such as a 401(a) or 401(k) account) an amount equal to the amount the Village would contribute to the IMRF plan if Fleischhauer were employed with the Village on a full time permanent basis and elected to participate in that plan. Fleischhauer hereby waives any right to participate in the any other Village sponsored plan such as the IMRF plan or any other 401(k), or other pension plan during the term of his role as Interim Village Manager.
- d. Holidays. Fleischhauer shall be entitled to the same holiday schedule das other Village employees.
- e. Vacation & Paid Time Off ("PTO"): Employee shall be entitled to five (5) weeks of Paid Time Off (PTO) annually, including a prorated amount of 8 calendar days for the remainder of 2018. Employee shall receive an annual allocation of vacation/PTO time on first day January each year. In the event Employee is unable to use all of his PTO time allocated to 2018, he may carryover such unused days into 2019. Effective with the 2019 calendar year, Employee may not carryover any unused PTO time to the following year. Any vacation and/or PTO time remaining at the end of a calendar year shall be deposited into Employees RHS account.
- h. Sick Time. Employee shall be entitled to take such additional time off for actual illness and/or treatment of medical conditions as is afforded to other Village employees, with the understanding and expectation that sick time shall not be used to increase the amount of Vacation time and/or PTO time.
- i. Life insurance. Employer agrees to purchase and to pay the required premiums on life insurance policies equal in amount to three (3) times the annual gross salary of Employee, with the beneficiary named by Employee to receive any benefits paid.

- j. Disability insurance. Employee shall be entitled to disability benefits on the same basis, and under the same terms and conditions, as other Village employees.

7. Termination

- a. By Village. Subject to the provisions of 65 I LCS § 3.1 – 35 – 10, employee may be terminated at any time, without notice, for any reason by the Mayor and/or Village Board.
- b. By Employee If employee desires to sever his employment relationship with the Village, he may do so at any time provided he gives the Village at least 60 days advance written notice.
- c. Severance. Understanding that there is no legally enforceable right to “severance pay” and that such arrangements are undesirable in the public employment context, Employee agrees to waive any severance pay or other form of remuneration upon termination of his employment, by either party. If Employees employment is terminated, the Village shall pay to employee the balance of unused but accrued vacation/PTO time and sick time according to the Village Personnel Rules applicable to all other employees, including, but not limited to, pay such amounts into a Retiree Health Savings (“RHS”) account.
- d. In the event Employee voluntarily resigns his position with Employer before expiration of the aforesaid term of his employment, then Employee shall give Employer six (6) months notice in advance, unless the parties otherwise agree.

8. Disability. If Employee is permanently disabled or is otherwise unable to perform his duties because of a sickness, accident, injury, mental incapacity or health for a period of four successive weeks beyond any accrued sick leave, or for twenty (20) working days over a thirty (30) working day period, Employer shall have the option to terminate this Agreement. However, Employee shall be compensated for any accrued sick leave, vacation, holidays, and other accrued benefits.

9. Residency. Employee is not required to reside within the Village.

10. Dues and Subscriptions. Employer agrees to budget and to pay for the professional dues and subscriptions of Employee necessary for his continuation and full participation in national, regional, state and local associations and

organizations necessary and desirable for his continued professional participation, growth and advancement, and for the good of the Employer.

11. Professional Development. Employer hereby agrees to budget for and to pay the travel and subsistence expenses of Employee for professional and official travel, meetings and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official and other functions for Employer, including but not limited to the Annual Conference of the International City Management Association, the Illinois Municipal League, and local governmental groups.

12. Indemnification. Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as Village Manager. Employer will compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

13. Bonding. Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

14. Other Terms and Conditions of Employment.

- a. The Board, in consultation with the Village Manager, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement.

15. Notices. Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

If to Employer:  
Roger L. Byrne  
Village President  
Village of Vernon Hills  
290 Evergreen Drive  
Vernon Hills, IL 60061

And to:

Keith L. Hunt  
Hunt & Associates, PC  
55 West Monroe  
Suite 3600  
Chicago, IL 60603

If to Employee: Mark Fleischhauer  
(insert address)

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

16.           General Provisions.
- a.           The text herein shall constitute the entire Agreement between the parties.
  - b.           This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.
  - c.           In any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect

*[Signature sheet on next page]*

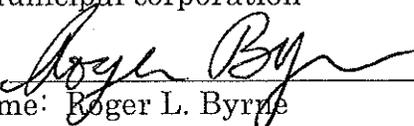
IN WITNESS WHEREOF, the Village of Vernon Hills has caused this Agreement to be signed and executed in its behalf by its Village President, and duly attested by its Village Clerk, and the Employee has signed and executed this Agreement, both in duplicate, the day and year first above written.

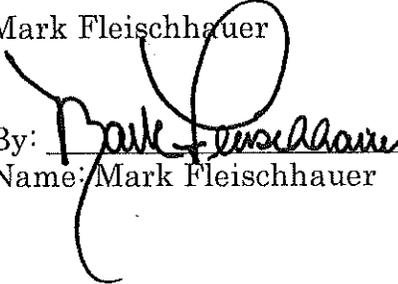
EMPLOYER:

EMPLOYEE:

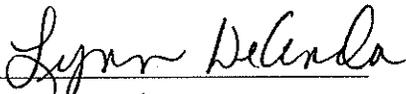
VILLAGE OF VERNON HILLS  
a municipal corporation

Mark Fleischhauer

By:   
Name: Roger L. Byrne  
Its: Village President

By:   
Name: Mark Fleischhauer

ATTEST:

By:   
Its: Deputy  
Village Clerk