

**VILLAGE OF VERNON HILLS  
ORDINANCE 2023-040**

**AN ORDINANCE APPROVING A CONTRACT BETWEEN LAUTERBACH & AMEN, LLP  
AND THE VILLAGE OF VERNON HILLS FOR ACCOUNTING AND FINANCIAL  
OVERSIGHT SERVICES**

**WHEREAS**, the Village of Vernon Hills, County of Lake, State of Illinois (*“the Village”*) is a duly organized and existing municipality and unit of local government created under the provisions of the laws of the State of Illinois, and is operating under the provisions of the Illinois Municipal Code; and

**WHEREAS**, the Village of Vernon Hills desires to enter into a contract with Lauterbach & Amen, LLP (L&A) to provide accounting and financial oversight services to the Village.

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

**SECTION 1: CONTRACT:** That the Village President is authorized to execute a Contract between the Village of Vernon Hills and Lauterbach & Amen, LLP, as attached as Exhibit A.

**SECTION 2: EFFECTIVE DATE:** This Ordinance shall be in full force and effect from its passage and approval.

**SECTION 3: ORDINANCE NUMBER:** This Ordinance shall be known as Ordinance Number 2023-040.

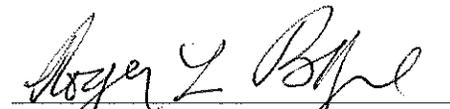
Dated the 18<sup>th</sup> of April, 2023

Adopted by roll call votes as follows:

AYES: 5 – Schenk, Oppenheim, Forster, Byrne, Marquardt

NAYS: 0 - None

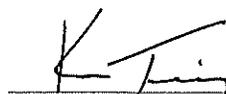
ABSENT AND NOT VOTING: 2 – Koch, Takaoka

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

PASSED: 04/18/2023

APPROVED: 04/18/2023

ATTEST: 04/18/2023

  
\_\_\_\_\_  
Kevin Timony, Village Clerk



**EXHIBIT A**

**CONTRACT BETWEEN VILLAGE OF VERNON HILLS AND  
LAUTERBACH & AMEN, LLP  
EFFECTIVE MAY 1, 2023**

**CONTRACT BETWEEN VILLAGE OF VERNON HILLS  
AND  
LAUTERBACH & AMEN, LLP**

In consideration of the mutual promises set forth below, the Village of Vernon Hills, 290 Evergreen Drive, Vernon Hills, IL 60061-1039 (hereafter "the Village"), and Lauterbach & Amen, LLP (hereafter "L&A") an Illinois Limited Liability Partnership, agree as follows:

**I. Scope of Services:**

L&A agrees to provide all accounting staff and personnel sufficient to accounting and financial oversight services to the Village, including staff as is reasonably necessary to accomplish all accounting and financial tasks required for day to day Village operations, as defined below.

**A. Included Activities:**

1. Normal accounting and finance functions, including accounts receivable and payables, expense reimbursement and payroll
2. Review all incoming invoices and routes to the proper department for review
3. Prepare and run all accounts payable payments
4. Positive-Pay file creation and upload
5. Invoice filing and storage
6. Petty cash operations and reconciliation
7. Review and reconciliation of front desk cash receipts
8. Handling the recording and reconciliation of any and all taxes, including but not limited to, Sales taxes, Food & Beverage tax, Amusement tax, Hotel tax; Utility tax, Motor Fuel Tax, and any other taxes or revenues which the Village is entitled to collect, use, or distribute
9. Complete the payroll process for all Village employees
10. Prepare and file all annual payroll requirements as noted by IRS and State
11. Prepare, monitor, and collect Food & Beverage taxes from establishments in the Village
12. Prepare bank reconciliations for all bank accounts associated with the Village

13. Complete month-end close and reporting requirements for the Village
14. Assist in the creation of all information, reports and other materials for the annual audit
15. Complete projects assigned by Finance Director that are connected to the role and tasks noted above.

**II. Term:**

The term of this Agreement shall be deemed to have commenced on the Effective Date of this Agreement and shall continue for a two (2) year term (the "Term") until April 30, 2025. Upon the expiration of the Term, the Village shall have the option to extend this Agreement for an additional two (2) year period (the "Additional Term"). The Additional Term shall be on the same terms and conditions as the Term. In the event the Village elects to exercise its option for the Additional Term, it shall provide written notice to L&A no less than one hundred eighty (180) days before the expiration of the Term. L&A shall have the right to refuse the option by providing the Village with written notice of said refusal; however, in the event L&A refuses the Village's exercise of its option, or the contract is terminated in the first six (6) months, this Agreement shall terminate one hundred eighty (180) days thereafter.

**A. Effective Date:**

The Agreement shall become effective on May 1, 2023.

**III. Payment:**

The Village agrees to pay L&A the sum of Three Hundred Twenty Seven Thousand Dollars (\$327,000) per year, in twelve (12) equal monthly payments. On May 1, 2024 the annual payment shall increase by 3%.

**A. Billing Detail**

L&A shall submit monthly invoices providing a description of the activities performed and services provided. If any of L&A services are subject to reimbursement by a third party (e.g. a developer), then L&A will provide sufficient detail of the services performed to enable the Village to receive reimbursement for such services from the third party.

**B. Submission of invoices Submission of Bills**

The parties recognize that the Village conducts its Board meetings typically on the First and Third Tuesdays of each month. L&A shall submit its invoices at least 14 days before the Board meeting at which the invoice will be considered for payment to provide the Village sufficient time to review and analyze the bill. The Village will use its best effort to make payment within thirty (30) days after the Village Board approves L&A's invoice for payment. The parties agree that they will comply with the terms of the Illinois Local Government Prompt Payment Act 50 ILCS 50511, et seq. (the "Act"), and that the provisions of the Act will control with respect to any failure by the Village to pay in a timely manner.

C. **Payment Not Waiver**

The Parties agree that payment by the Village of any L&A invoice shall not constitute a waiver of the Village's right to audit, review, or contest the accuracy or reasonableness of such invoice.

IV. **Staffing & Personnel:**

A. **By L&A:**

L&A agrees to provide individuals of competent background, skill, training, and expertise for the accounting staff positions to complete the tasks as outlined above.

1. **Payroll & Taxes:**

L&A shall be solely responsible for paying all salaries and wages for all L&A Personnel provided to the Village pursuant to this Agreement. In addition, L&A shall be solely responsible for any and all payroll taxes associated with the payment of wages and salaries for L&A Personnel, including but not limited to federal and state withholding, social security (FICA), Medicare and federal and state unemployment taxes and any other taxes or liabilities (hereafter referred to as "Payroll Tax Obligations") which are associated with such L&A Personnel.

2. **Benefits:**

L&A shall provide and be responsible for paying all benefits for L&A personnel provided to the Village.

3. **Independent Contractor Status:**

The Parties to this Agreement stipulate and agree that all L&A Personnel provided to the Village shall be employees of L&A and not the Village and that nothing in this Agreement shall be interpreted as creating an employment relationship between any individual supplied by L&A. All L&A Personnel shall be deemed to be independent contractors, not employees of the Village.

4. **Indemnification for Payroll and Tax Obligations:**

L&A agrees to indemnify and hold harmless the Village and its officers, agents, employees, and elected officials from any and all liabilities, payroll obligations and all Payroll Tax Obligations for any L&A Personnel, including, but not limited to, any liabilities, taxes, fines, penalties, cost or attorneys' fees which the Village may incur.

5. **Indemnification for L&A Personnel Claims:**

L&A agrees to indemnify and hold harmless the Village, and its officers, agents, employees and elected officials, from any and all liabilities, claims or causes of action which any L&A Personnel may assert against the Village for any reason.

6. **No Joint Employer Relationship:**  
Nothing in this Agreement shall be construed as creating any Joint Venture or Joint-Employer relationship between L&A and the Village.

7. **Background Checks:**  
All Consultants, employees, subcontractors and/or agents of L&A who perform services on behalf of the Village shall submit to full background checks to be performed by the Vernon Hills Police Department, the sufficiency of which shall be at the sole discretion and approval of the Village.

**B. By the Village:**

1. The Village agrees to provide the Finance Director position to complete all tasks required at that role. The Village will be responsible for the payment of all Payroll Tax Obligations associated with, and all benefits provided to, such employee.

2. The Village agrees that during the term of this agreement and for a period of twelve months thereafter, the Village shall not solicit or arrange an employment contract with personnel of L&A. Violation of this provision shall, in addition to other relief, require the Village to compensate L&A with one hundred twenty five percent of the solicited person's annual compensation.

C. **Compliance:** L&A and all persons assigned by L&A shall comply with all laws, regulations, orders, ordinances, codes and standards, including identification and procurement of required permits, certificates, approvals and inspections, insurance coverage (including workers' compensation), proper withholding and submission of social security and income taxes and any other laws, which subsequently become applicable to L&A or its employees or agents, in performance under this Agreement.

D. **Accounting & Municipal Finance Standards:** All work performed by L&A under this Agreement shall conform with Generally Accepted Accounting Principles and shall be consistent with all applicable standards of the Governmental Accounting Standards Board.

E. **Termination or Replacement of Specific L&A Personnel by Village:** The Parties stipulate and agree that the Village shall have the right, in its sole discretion, to require L&A to remove and/or replace any L&A Personnel.

**F. Replacement of Specific L&A Personnel by L&A:**

1. **Resignation from L&A:**  
If any L&A Personnel elect to resign from L&A, then L&A shall immediately notify the Village of such employee's intention to resign and shall replace such individual(s) with persons of comparable skill, background, educations, training and expertise. Such replacement shall occur in such timeframe as the parties may agree to allow for a transition with limited disruption to the

operations of the Village and allows for appropriate individual(s) to be hired and trained into the role.

2. **Relocation or Reassignment by L&A:**

In the event L&A elects to reassign an L&A Personnel to an L&A Client other than the Village, then L&A shall provide the Village with not less than 30 business days' notice, or such other notice as the parties may agree and shall, within ten (10) business days of providing such notice provide a replacement for that individual to allow for an orderly and smooth transition without disruption to the Village.

V. **Termination**

A. **By Village**

This agreement may be terminated at any time by the village upon 60 days written notice, or such other time as the parties may agree. In the event the Village terminates this agreement, L&A agrees to continue its services for a minimum of up to 60 days thereafter to permit the Village to find a suitable replacement and to permit an orderly transition of affairs.

B. **By L&A**

This Agreement may be terminated at any time by L&A upon 120 days written notice or such other time as the parties may agree provided such notice may not be given during the months of January through April, inclusive, of any year which the time of year when the Village goes through its budget process. In the event L&A terminates this agreement for nonpayment of its fees as set forth in paragraph III (A) through (C) above, then L&A is only required to give 30 days' written notice of its intent to terminate the Agreement. In the event L&A elects to terminate this agreement, L&A agrees to assist in an orderly transition of the Village's financial affairs.

VI. **Default**

In the event either party is in default of its obligations under this agreement, the parties breach shall have 30 days to cure its default. Nothing in this Agreement is intended to limit any remedies available to either party whether at law or in equity. L&A agrees that if it is in default of its obligations under this Agreement, and fails to timely cure such default, L&A recognizes that its services are of a unique and highly specialized nature and that the Village would suffer irreparable harm, would not have an adequate remedy at law and that the hardship to the village would significantly outweigh any hardship to L&A; therefore, the Village would be entitled to injunctive relief, without the requirement to post any bond. In such situation, L&A would preserve its rights to contest whether it was in Default, but would waive any and all rights to contest the Villages entitlement to injunctive relief.

VII. **Insurance.**

L&A agrees to maintain the following types of insurance covering its employees, independent contractors and business activities in connection with the services it provides under this Agreement, as more specifically delineated in Exhibit A to this Agreement:

- A. Workers' Compensation insurance;
- B. Comprehensive General Liability insurance;
- C. Professional Liability insurance.
- D. Employee Theft & Dishonesty Coverage

**VIII. Other Matters.**

- A. **Venue.** L&A and the Village agree that any dispute arising under or out of this Agreement shall be commenced in the Circuit Court for the Nineteenth Judicial Circuit in Lake County, IL.
- B. **Assignment.** The parties agree that this Agreement may not be assigned to any third party without the written consent of the Village.
- C. **Choice of Law.** This Agreement shall be interpreted under Illinois law, without regard for conflict of law principles
- D. **Merger.** This Agreement represents the final and last understanding and agreement between the parties and supersedes all prior or contemporaneous oral or written agreements.
- E. **Severability.** In the event one or more provisions are determined by a Court of competent jurisdiction to be unenforceable, then all other provisions shall remain in full force and effect.

**ACCEPTED AND AGREED:**

**VILLAGE OF VERNON HILLS**

**LAUTERBACH & AMEN, LLP**

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

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

RONALD J. AMEN

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Partner

**Exhibit A**  
**INSURANCE REQUIREMENTS**

L&A agrees to provide and maintain the following:

**1. Property & Casualty Insurance (Types & Minimum Limits):**

- a. Comprehensive General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage. Minimum General Aggregate shall be no less than \$2,000,000 per person per aggregate. Clients and Contractors Protective Liability: \$1,000,000 combined single limit per occurrence. Excess Liability/Umbrella Coverage \$5,000,000.
- b. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
- c. Worker's Compensation and Employers' Liability: Worker's Compensation limits as required by the Labor Code of the State of Illinois and Employers' Liability limits of \$1,000,000 per accident.

**2. Professional Liability Coverage** through the term of this Agreement, errors and omissions insurance coverage, commonly referred to as malpractice Insurance coverage, with minimum limits of \$5,000,000 per occurrence or claim and \$5,000,000 aggregate per policy period.

**3. Employee Theft and Dishonesty Coverage** L&A agrees to provide evidence of, and to maintain, through the term of this Agreement, insurance coverage for theft and dishonesty, other similar wrongful acts committed by L&A Personnel with limits of \$3,000,000.

**Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by Village At the option of Village, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects Village its officials, employees and volunteers; or L&A shall procure a bond guaranteeing payment of losses and related investigation, claim administration and defense expenses.

**Other Insurance Provisions**

The policies are to contain, or be endorsed to contain the following provisions:

Commercial General Liability, Clients and Contractors Protective Liability and Automobile Liability Coverage

- a. Village, its officials, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of L&A as well as materials, and equipment procured, owned, leased, hired or borrowed by L&A. The coverage shall contain no special limits on the scope of the protection afforded to Village, its officials, employees or volunteers.
- b. L&A's insurance coverage shall be primary insurance as respects Village, its officials, employees and volunteers. Any insurance or self-insurance maintained by Village, its officials, employees or volunteers shall be excess of L&A's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to Village, its officials, employees or volunteers.
- d. Coverage shall state that L&A's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits or the insurer's liability.

#### **Worker's Compensation and Employers' Liability Coverage**

The insurer shall agree to waive all rights or subrogation against Village, its officials, employees or volunteers for losses arising from work performed by L&A for Village.

#### **All Coverages**

Each insurance policy required by this clause shall be endorsed to state that the coverage shall not be suspended, voided; canceled, reduced in coverage or in limits except after thirty (30) day's prior written notice by certified mail, return receipt requested, has been given to Village.

#### **Acceptability of Insurers**

The insurance carrier used by L&A shall have a minimum insurance rating of A:VIT according to the AM Best insurance Rating Schedule and licensed to do business in the State of Illinois.

#### **Certificates of Insurance**

L&A shall furnish Village with certificates of insurance and copies of all policies of insurance naming Village, its officials, agents, employees and volunteers as additional insureds, and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by the municipality and are to be received and approved by the municipality before any work commences. Village reserves the right to request full certified copies of the insurance policies.

VILLAGE OF VERNON HILLS

ORDINANCE NO. 2023-040

AN ORDINANCE APPROVING A CONTRACT BETWEEN LAUTERBACH & AMEN, LLP  
AND THE VILLAGE OF VERNON HILLS FOR ACCOUNTING AND FINANCIAL  
OVERSIGHT SERVICES

Published in pamphlet form by the Authority of the  
President and Board of Trustees of the Village of  
Vernon Hills, Lake County, Illinois, this  
18<sup>th</sup> day of April, 2023

STATE OF ILLINOIS )  
 )  
COUNTY OF LAKE )

CERTIFICATE

I, KEVIN TIMONY, CERTIFY THAT I AM THE DULY APPOINTED AND ACTING VILLAGE CLERK OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS. I FURTHER CERTIFY THAT ON APRIL 18, 2023, THE CORPORATE AUTHORITIES OF SUCH MUNICIPALITY PASSED AND APPROVED ORDINANCE NO. 2023-040 AN ORDINANCE APPROVING A CONTRACT BETWEEN LAUTERBACH & AMEN, LLP AND THE VILLAGE OF VERNON HILLS FOR ACCOUNTING AND FINANCIAL OVERSIGHT SERVICES.

THE PAMPHLET FOR ORDINANCE NO. 2023-040 INCLUDING THE ORDINANCE AND A COVER SHEET THEREOF, WAS PREPARED, AND A COPY DATED APRIL 18, 2023 AND CONTINUING FOR AT LEAST TEN DAYS THEREAFTER. COPIES OF SUCH ORDINANCE WERE ALSO AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST IN THE OFFICE OF THE VILLAGE CLERK.

DATED IN VERNON HILLS, ILLINOIS, THIS 18<sup>th</sup> DAY OF APRIL 2023.

  
\_\_\_\_\_  
Kevin Timony, Village Clerk

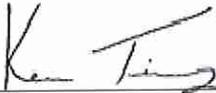
SEAL



AFFIDAVIT OF SERVICE

STATE OF ILLINOIS        )  
  )  
COUNTY OF LAKE         )

I, KEVIN TIMONY, 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. 2023-040 AN ORDINANCE APPROVING A CONTRACT BETWEEN LAUTERBACH & AMEN, LLP AND THE VILLAGE OF VERNON HILLS FOR ACCOUNTING AND FINANCIAL OVERSIGHT SERVICES TO BE POSTED IN THE VILLAGE HALL AS REQUIRED BY LAW FROM APRIL 18, 2023 TO APRIL 28, 2023.

  
\_\_\_\_\_  
Kevin Timony, Village Clerk

SUBSCRIBED AND SWORN TO BEFORE  
THIS 18<sup>th</sup> DAY OF APRIL 2023

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

