

**VILLAGE OF VERNON HILLS
RESOLUTION 2021-013**

**A RESOLUTION APPROVING THE EXECUTION OF AN EMPLOYMENT AGREEMENT
BETWEEN THE VILLAGE OF VERNON HILLS AND KEVIN TIMONY FOR THE
POSITION OF VILLAGE MANAGER**

WHEREAS, the Village of Vernon Hills (“Vernon Hills”) is a home rule unit of local government pursuant to Article 7, Section 6 of the Constitution of the State of Illinois; and

WHEREAS, the President and Board of Trustees of the Village of Vernon Hills desire to enter into the attached Employment Agreement (“Agreement”) for purposes of retaining Kevin Timony (“Timony”) to serve as the Village Manager and to perform all of the customary duties of the Village Manager position in accordance with the provisions of Chapter 2 (Administration), Article 3 (Officers), Division 2 (Village Manager) of the Code of Ordinances of the Village of Vernon Hills. The Employment Agreement is attached hereto as EXHIBIT A and made a part hereof; and

WHEREAS, Timony desires to work as the Village Manager of the Village of Vernon Hills and agrees to perform all of the customary duties of the Village Manager position in accordance with the provisions of Chapter 2 (Administration), Article 3 (Officers), Division 2 (Village Manager) of the Code of Ordinances of the Village of Vernon Hills, and the attached Agreement; and

WHEREAS, the President and Board of Trustees of the Village, as corporate authorities of an Illinois home rule municipal corporation, have the authority to enter into the attached Agreement pursuant to home rule power, as provided by Article VII, Section 6(a) of the Illinois Constitution of 1970, and pursuant to Section 8-1-7 of the Illinois Municipal Code. 65 ILCS 5/8-1-7 ; and

WHEREAS, the President and Board of Trustees of the Village have determined that it is in the best interests of the Village and its residents to approve and authorize the execution of the attached Agreement.

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

SECTION 1: Incorporation. That each Whereas paragraph above is incorporated by reference into this Section 1 and made a part hereof as material and operative provisions of this Resolution.

SECTION 2: Approval and Execution. That the President and Board of Trustees of the Village authorize the execution of, and approve entering into, the attached Agreement with Timony, and authorize and direct the Village President, the Village Manager, and the Village Clerk, or their designees, to execute and deliver the Agreement, in substantially the form attached

hereto as EXHIBIT A, with such changes thereto as may be approved by the Village Manager and the Village Attorney, along with all other instruments and documents that are necessary to fulfill the Village's obligations under the Agreement. The President and Board of Trustees of the Village authorize and direct the Village staff to take all actions that are necessary to comply with all of the applicable obligations of the Village under the Agreement.

SECTION 3: Severability. That if any Section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such Section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 4: Repeal. That all resolutions, motions or parts thereof in conflict with this Resolution shall be and the same are hereby repealed.

SECTION 5: Effective Date. That this Resolution shall be in full force and effect upon its adoption and approval according to law.

Dated this 18th Day of May, 2021.

Adopted by roll call vote as follows:

AYES: 7 – Marquardt, Forster, Oppenheim, Koch, Takaoka, Schenk, Byrne

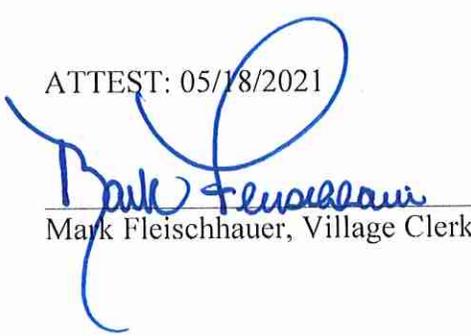
NAYS: 0 – None

ABSENT AND NOT VOTING: 0 - None



Roger L. Byrne, Village President

ATTEST: 05/18/2021



Mark Fleischhauer, Village Clerk



EXHIBIT A

EMPLOYMENT AGREEMENT

(attached)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made and entered into this 18th day of May, 2021 by and between THE VILLAGE OF VERNON HILLS, an Illinois municipal corporation (hereinafter called "Employer") and KEVIN TIMONY (hereinafter called "Employee") as follows:

WITNESSETH

WHEREAS, Employer desires to employ the services of said Employee as Village Manager of the Village of Vernon Hills; and

WHEREAS, it is the desire of the Mayor and Village Board of Trustees (hereinafter called the "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 July 6, 2021.

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

1. Duties. Effective July 6, 2021, Kevin Timony shall serve the Village of Vernon Hills as its Village Manager to perform the functions and duties specified in the Vernon Hills Village Code, including but not limited to Sections 2-161 through 169 of Division 2 of the Village Code, 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 July 6, 2021 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", and 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 \$189,000 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. The Employer shall not at any time reduce the salary, compensation or other benefits of the Employee, without cause, except to the degree of such a reduction across-the-board for all employees of the Village.

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. Upon completion of said annual review and evaluation, the Board shall determine the Employee's eligibility for an adjustment in his base salary and/or other benefits as indicated in Section 3, above.

b. Annually, the Board and Employee shall define such goals and performance objectives which they determine necessary to properly operate the Village and to 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 Employee (and his family if he so elects) with health insurance through the Village health plan. Employee 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 Employee's use of his personal vehicle for Village business. This amount is intended as the sole remuneration for all expenses associated with Employee'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. Retirement Plan/IMRF. Employee shall be eligible to participate in the retirement plan offered to Village Employees through the Illinois Municipal Retirement Fund (“IMRF”).

d. Deferred Compensation. The Employer agrees to allow the Employee to participate in the Village authorized deferred compensation plan. The amount of such deferred compensation shall be at the discretion of the Employee and shall be contributed in its entirety by the Employee.

e. Holidays. Employee shall be entitled to the same holiday schedule as other Village Employees.

f. Vacation & Paid Time Off (“PTO”). Employee shall be entitled to four (4) weeks of Paid Time Off (PTO) annually (160 hours) including a prorated amount of 14 calendar days (80 hours) for the remainder of 2021. Employee shall receive an annual allocation of vacation/PTO time on the first day of January each year. In the event Employee is unable to use all of his PTO time allocated to 2021, Employee may carry over such unused days into the following calendar year, without the written permission of the Board. Effective January 1, 2022, Employee may not carry over any unused PTO time to the following year, without the written permission of the Board.

g. 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. Notwithstanding this provision, the Employee shall be credited ninety-six (96) hours of sick time at the commencement of his employment with the Employer.

h. 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.

i. 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 ILCS § 3.1-35-10, Employee may be terminated at any time, without notice, for any reason by the Village President and/or the 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 sixty (60) days advance written notice.

c. Severance. Upon Employee's termination with or without cause, the Village shall pay to Employee the balance of his unused but accrued vacation/PTO time and sick time according to the Village of Vernon Hills Personnel Rules, as amended in May of 2021, and applicable to all other Employees, including, but not limited to, pay such amounts into a Retiree Health Savings ("RHS") account. If Employee is terminated for cause, as that term is defined in Section c (1) below, Employee will not be entitled to severance pay from the Village. If Employee is terminated without cause, the Village shall pay Employee twenty (20) weeks of pay equal to his base salary plus any accrued Employee benefits the Employee is entitled to under the Village's Personnel Rules; provided, that the Employee signs and does not revoke a Resignation and Severance Agreement and Release Of All Claims referred to below in Section c(2):

1) "Cause" Defined. "Cause" means: (i) willful malfeasance or willful misconduct by Employee in connection with his employment; (ii) Employee's gross negligence in performing any of the duties under this agreement; (iii) Employee's being found guilty of any felony, or Employee's being found guilty of any misdemeanor involving dishonesty, a drug related offense or moral turpitude, or Employee's being convicted of any other misdemeanor (i.e., with a judgment of conviction being entered rather than an order of supervision being entered), but excluding any misdemeanor or petty offense which relates to a traffic violation (other than a misdemeanor DUI while operating a Village-owned vehicle) or infraction; (iv) Employee's willful breach of any written policy applicable to all Employees adopted by Employer; or (v) material breach by Employee of any of the terms of this Agreement. In the event the Employee is terminated for Cause, the Employee shall not be entitled to receive the severance pay provided for in this Agreement.

2) Severance Payment. In consideration for, and as a condition precedent to the payment of the severance benefits payable under this Paragraph 7, Employee shall be required to execute a Resignation and Severance Agreement and Release of All Claims in a form determined by the Employer releasing Employer from any and all causes of action, claims and demands which Employee may have against the Employer and return the executed document to the Employer.

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 ninety (90) successive days within the first three hundred and sixty five (365) days of the Employee's term of employment with the Employer, Employer shall have the option to terminate this Agreement. During this period of disability, Employee shall be required to utilize his sick, vacation and paid time off (PTO), until they are extinguished. The remainder of the ninety (90) day period shall be uncompensated. Upon termination under this Section, Employee shall be compensated for any unused accrued sick leave, vacation, holidays, and other accrued benefits in accordance with the Village's Personnel Rules. After the completion of this three hundred and

sixty five (365) day term, the provisions of the Family and Medical Leave Act (FMLA) shall apply to any term of disability.

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 provided such claim arose out of the scope of Employee's employment. It is agreed that there is no obligation for the Employer to pay for punitive damages assessed against the Employee, or any damages, claim or sum for any act or omission alleged to have occurred outside the scope of the Employee's employment.

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

14. Return Of Employer's Property. Upon Employee's termination, Employee shall immediately deliver to Employer all correspondence, letters, e-mails, computer disks or stored information, manuals, contracts, call reports, price lists, mailing lists, customer lists, advertising or product materials, photographs, ledgers, supplies, files, computers, pagers, cellular phones, beepers, other business-related equipment, Village-owned automobiles, checks, petty cash, and all other material and records of any kind belonging to or relating to Employer that are in the possession or control of Employee.

15. Exclusivity and Duty of Loyalty. During the term of this Agreement, the Employee, shall not be self-employed in any kind of profit or non-profit business venture, and shall not be employed by or work for compensation for any other person, corporation, partnership, or employer of any kind without prior approval by the Corporate Authorities of the Village. For example, if Employee desires to teach or engage in consulting activities, he will obtain prior approval of the Corporate Authorities of the Village. This Section shall not be interpreted to preclude the Employee from speaking or writing on a limited basis or from pursuing artistic endeavors during the Employee personal time off.

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.

16. 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, Illinois 60061

And to:

James V. Ferolo
Klein, Thorpe & Jenkins, Ltd.
20 N. Wacker Drive, Suite 1660
Chicago, Illinois 60606

If to Employee:

Kevin Timony

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.

17. 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]

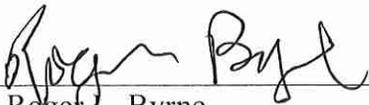
IN WITNESS WHEREOF, the Village of Vernon Hills has caused this Agreement to be signed and executed in its behalf by its Village President, and duly attested by its Village Clerk, and the Employee has signed and executed this Agreement, both in duplicate, the day and year first above written.

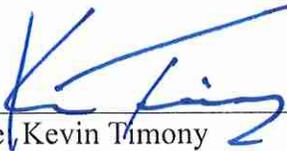
EMPLOYER:

EMPLOYEE:

VILLAGE OF VERNON HILLS
An Illinois Municipal Corporation

KEVIN TIMONY

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

By: 
Name: Kevin Timony

ATTEST: 
By: Dawn Fleisig
Its: Village Manager