

Proposal to Provide
Actuarial Services to

VILLAGE OF OAK PARK, ILLINOIS

For the Fiscal Years Ending
December 31, 2020 through December 31, 2022

Police and Firefighters' Pension Funds

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

Proposal to Provide
Actuarial Services to

VILLAGE OF OAK PARK, ILLINOIS
FOR THE
POLICE AND FIREFIGHTERS' PENSION FUNDS

For the Fiscal Years Ending
December 31, 2020 through December 31, 2022

Submitted by:

Lauterbach & Amen, LLP
668 N. River Road
Naperville, IL 60563
630.393.1483 Phone
630.393.2516 Fax
www.lauterbachamen.com

Contact:

Todd A. Schroeder
630.393.1483 Ext. 222
tschroeder@lauterbachamen.com

July 30, 2020

TABLE OF CONTENTS

INTRODUCTION	1
RESPONDENT BACKGROUND.....	3
FIRM STRUCTURE AND PHILOSOPHY.....	4
ACTUARIAL TEAM STRUCTURE	5
PERSONNEL CHANGES	5
OUR ACTUARIAL PHILOSOPHY	5
TODD A. SCHROEDER.....	6
ROBERT L. RIETZ, JR.	7
JOSHUA CLEMENT	8
PROPOSED SCOPE OF SERVICES.....	10
OVERALL APPROACH.....	10
PENSION VALUATION PROCESS	11
WORKING WITH SERVICE PROVIDERS.....	11
GASB 67/68 REPORTING	13
ACTUARIAL ASSUMPTIONS	14
ACTUARIAL COST METHODS & FUNDING POLICIES	14
ACTUARIAL COST METHODS & FUNDING POLICIES - CONTINUED	15
STRATEGIC PLANNING.....	16
ACTUARIAL VALUATION SOFTWARE.....	17
PEER REVIEW	17
QUALITY CONTROL	17
QUALITY CONTROL – CONTINUED.....	18
EMPLOYEE CONDUCT	18
CONFLICTS OF INTEREST.....	19
INSURANCE.....	19
DISASTER RECOVERY PLAN	19

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

TABLE OF CONTENTS

PROPOSED SCHEDULE OF IMPLEMENTATION	20
TRANSITION SCHEDULE	20
ONGOING SCHEDULE	21
REFERENCES	22
PENSION FUND REFERENCES	22
SUPERVISING ACTUARY AND KEY STAFF	23
COST PROPOSAL	24
FEES – SUMMARY	24
FEES – 3 YEAR SERVICE AGREEMENT	25
OUT-OF-SCOPE PROJECTS	25
FEE CONTROL	26
BILLING	26
LICENSE TO PROVIDE SERVICE IN ILLINOIS AND DISCLOSURES	27
LICENSING	28
LITIGATION	28
PROFESSIONAL SERVICES AGREEMENT TEMPLATE	29
AGREEMENT TEMPLATE	30
ATTACHMENTS	31
ATTACHMENTS	32

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

INTRODUCTION

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com



PROPOSAL TO PROVIDE ACTUARIAL SERVICES

July 30, 2020

Village of Oak Park
123 Madison Street
Oak Park, Illinois 60302

Lauterbach & Amen, LLP is pleased to submit our proposal to provide actuarial consulting services for the Village of Oak Park, Illinois and its Police and Firefighters' Pension Funds. Lauterbach & Amen, LLP ("L&A") works exclusively in the governmental sector and specializes in Police and Firefighters' Pension Funds, Municipalities and Districts, allowing us to provide an unrivaled commitment to exceeding your expectations with regards to quality service and government-specific actuarial expertise.

Our approach to actuarial services is more than just "number crunching". Not only do we perform a comprehensive annual assessment of the financial condition of your Funds, we also work collaboratively with your Board members and Trustees in establishing and monitoring reasonable long-term strategic objectives. Our job is to help you understand the key aspects of the actuarial process to ensure you can make informed decisions about your plan and anticipate future events that could be crucial to those decisions. We advocate attendance at meetings and being readily accessible to answer questions.

This proposal covers all scope of services as detailed in your Request for Proposal dated June 15, 2020. In-person meetings to discuss results with one of our actuaries, at your location, are included at no additional charge. Our fees quoted herein are a firm and irrevocable offer for the next 90 days. We will furnish all personnel, supervision, labor, materials, machinery, tools, appurtenances, equipment, and services, including licenses, necessary to provide services in accordance with this proposal. Actuarial valuations completed for the Village will be prepared by a highly qualified Illinois-based actuarial staff under my direct supervision.

Please call or email me if you have questions about our proposal.

Respectfully Submitted,

LAUTERBACH & AMEN, LLP

Todd A. Schroeder, ASA, EA, MAAA, FCA

TSchroeder@Lauterbachamen.com

(630) 393-1483

668 North River Road
Naperville, IL 60563



RESPONDENT BACKGROUND

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

RESPONDENT BACKGROUND

Firm Structure and Philosophy

L&A is very different from most accounting and actuarial firms in that we are specialized in the governmental sector. We provide a wide range of accounting and benefits administration services including taxes, monthly accounting and bookkeeping for units of governments, benefits administration for Police and Firefighter Pension Funds, and actuarial services for pensions and retiree medical benefits. As a client of L&A, you will be served by partners and credentialed actuaries whose experience and depth of knowledge will become a valuable management resource.

The principal address of the firm is:

Lauterbach & Amen, LLP
668 North River Road
Naperville, IL 60563

L&A is a Limited Liability Partnership established in Illinois in 1997. Our Accountants are licensed to do business in Illinois and our Actuaries are licensed to do business across the U.S.

L&A has provided services for Police and Firefighter Pension Funds for 23 years. We stay current on all the latest legislation through our contacts in the state and professional conferences. Our firm currently provides actuarial services for roughly 350 Police and Firefighter Pension Funds. We also retain actuarial valuation work for nearly 200 municipal clients throughout the Country. We have been providing actuarial services for the past nine years through an actuarial staff and credentialed Actuaries with 55 years of combined actuarial and public pension plan experience.

Additionally, L&A provides accounting and benefits administration to roughly 280 Police and Firefighter Pension Funds. We also remit benefit payments to over 10,000 pensioners each month.

*Our Primary Office is
Located in Naperville,
Illinois*

Our Professional Personnel Includes:

<i>Partners</i>	<i>5</i>
<i>Directors</i>	<i>6</i>
<i>Principals</i>	<i>10</i>
<i>Staff</i>	<i><u>160</u></i>
<i>Total</i>	<i>181</i>

*L&A Focuses on
Close Working
Relationships with
Management; we
Encourage Face-to-
Face Meetings with
our Actuaries.*

*L&A serves over 300
Police and Firefighter
Pension Funds within
the State of Illinois.*



ACTUARIAL TEAM STRUCTURE

Actuarial Team Structure

Our actuarial team at L&A works under a flat organizational structure in order to empower our employees to better serve our clients at all levels. We currently have three Credentialed Actuaries on staff, three experienced actuarial consultants, 7 actuarial students and two operations managers that pull everything together internally as well as for our clients.

The role of your actuarial consultants is to oversee the preparation of actuarial calculations. The consultants do not have any responsibilities other than providing actuarial services. The role of the Enrolled Actuaries is to review all actuarial calculations and present findings to our clients. Meetings will be attended as requested and we encourage our clients to have us come out and discuss the actuarial findings for the year.

Personnel Changes

In the event that any key team members managing the assignment leave the organization, our firm retains relationships with other professionals in the field, to ensure your actuarial needs are always met. We also maintain relationships with actuarial departments at local universities. These relationships enable us to hire quickly to maintain appropriate staff levels at all times.

Our Actuarial Philosophy

We consider it essential to maintain the lines of communication throughout the year, both formally (via meetings, letters, etc.) and informally (via telephone calls, emails, etc.). Our goal is to keep clients advised of changes and emerging developments related to government pensions, including economic conditions that might impact the security and sustainability of those benefits.

The success of our engagements results from our actuarial team's dedication to client service. Other aspects of our actuarial practice that make L&A different from our competitors include:

- A singular focus on actuarial services to ***public sector pension and OPEB programs***
- Strong ***local actuarial team*** based in Illinois
- GASB governmental pension accounting expertise
- Collaborative approach to setting long-term financial objectives with Boards and Trustees

KEY ENGAGEMENT PERSONNEL

Todd A. Schroeder

Mr. Schroeder has 22 years of experience serving clients in the governmental and private sectors. He has participated in numerous governmental engagements, including public pension funds, school districts, Cities and Villages, and various other units of government. He has also provided actuarial services to companies in the private sector.

- Drake University, BS/BA Actuarial Science
- Enrolled Actuary
- Associate of the Society of Actuaries
- Member of the American Academy of Actuaries
- Member of Illinois Public Pension Fund Association
- Member of the Illinois Professional Firefighters' Association
- Instructor, Illinois Public Pension Fund Association Certified Trustee Program
- Instructor, Pension Fund Member Workshops
- Speaker, Illinois Association of Fire Protection Districts (IAFPD)
- Speaker, Illinois Municipal Treasurers Association (IMTA)
- Speaker, Illinois Professional Firefighters Association (IPFA)
- Speaker, Illinois Public Pension Fund Association (IPPFA)
- Speaker, Northern Illinois Alliance of Fire Protection Districts (NIAFPD)

Mr. Schroeder's experience in the governmental sector includes actuarial calculations for over 300 units of government including, public pension funds, Districts and Municipalities. This experience includes determination of funding requirements for IL Police and Firefighters' Pension Funds, pension funding policies and determinations for financial statement reporting.

Mr. Schroeder has worked frequently with Municipalities and Pension Boards in creating Funding Policies for use in financial statements and levy determinations.



Educational and Membership Background

Governmental Experience

KEY ENGAGEMENT PERSONNEL

Robert L. Rietz, Jr.

Mr. Rietz has over 23 years of experience serving clients in the public, private, and multiemployer (Taft-Hartley) sectors. His background includes providing actuarial services to numerous pension and OPEB plans to satisfy ERISA, GAAP, IFRS, and GASB requirements. In addition, he has provided lead actuarial audit support for defined benefit and postretirement medical plans for a Big 4 accounting firm.

- University of Iowa, BS Mathematics
- Enrolled Actuary under the Joint Board for the Enrollment of Actuaries
- Fellow of the Conference of Consulting Actuaries
- Member of the American Academy of Actuaries
- Member, Illinois Municipal Treasurers Association (IMTA)
- Member, Illinois Professional Firefighters Association (IPFA)
- Member, Illinois Public Pension Fund Association (IPPFA)

Mr. Rietz's experience in the governmental sector includes Actuarial calculations for over 200 units of government including public pension funds, Districts and Municipalities. This experience includes determination of funding requirements for Police and Firefighters' Pension Funds, pension funding policies and determinations for financial statement reporting.



Educational and Membership Background

Pension/Actuarial Experience

YOUR ACTUARIAL TEAM

Joshua Clement

Mr. Clement has over seven years of experience serving clients in the public, private, and multiemployer (CalPERS, PARS, and ACWA) sectors. His background includes providing actuarial services to numerous OPEB plans to satisfy GASB and FAS requirements.

- University of California, Davis, MA Mathematics
- Associate of the Society of Actuaries
- Fellow of the Conference of Consulting Actuaries

Mr. Clement's experience in the governmental sector includes Actuarial calculations for over 100 units of government including City and Town governments, school and utility Districts, and various other units of government. This experience includes performing valuations, reconciling census data, drafting reports, developing spreadsheets, programming, and making software tools and procedures more efficient.



Educational and Membership Background

Governmental Experience

YOUR ACTUARIAL TEAM

Your Actuarial Team

Todd is a Director of Actuarial Services at L&A with over 20 years of actuarial consulting experience. He is an Associate of the Society of Actuaries and Enrolled Actuary with a Bachelor's degree from Drake University. His role is to review all actuarial calculations and present findings at client meetings.

Bob is an Actuarial Consultant with over 23 years of experience. He is an Enrolled Actuary with a Bachelor's degree from the University of Iowa. Within L&A, Bob serves as the Technical Leader of the Pension Center of Excellence. His role will be to provide peer review and will serve as the alternate account executive.

Josh is an Actuarial Analyst and ASA with a Master's Degree from the University of California, Davis. His roles include performing actuarial valuations, updating valuation methodology, and developing and reviewing spreadsheets. He currently works and resides in California. His role is the alternate in peer review

Jim is an Actuarial Consultant and CPA with a Bachelor's degree from Southern Illinois University and MBA from Roosevelt University. His roles including managing actuarial and accounting client engagements, performing actuarial valuations, and attending client meetings. Jim will service as the primary contact for day to day questions and will assist in presentation of results.

Kevin is an Actuarial Consultant with a Bachelor's degree from the University of Massachusetts and a background in private pension actuarial consulting. His roles include managing client engagements, and attending client meetings. Kevin will serve as the alternate for client management.

Anthony is an Actuarial Analyst with a Bachelor's degree from Bradley University. He has 4 years of experience in the retirement Actuarial field. His roles include reconciliation of plan data, running Actuarial models, and preparing Actuarial reports. Anthony will serve as the primary Analyst. The firm currently has six Actuarial Analysts employed full time.

Todd Schroeder

Robert Rietz

Joshua Clement

James Ritchie

Kevin Cavanaugh

Anthony Gedvilas



PROPOSED SCOPE OF SERVICES

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

OVERALL APPROACH

Overall Approach

An actuarial valuation is more than just “number crunching”. It is an annual assessment of the financial condition of your benefit program. There are a myriad of different methods and assumptions that can be used in the development of valuation results. Our job is to help you understand the key aspects of the actuarial process to ensure that you are able to make informed decisions about your plan and anticipate outside influences that may be crucial to those decisions.

Pension Valuation Process

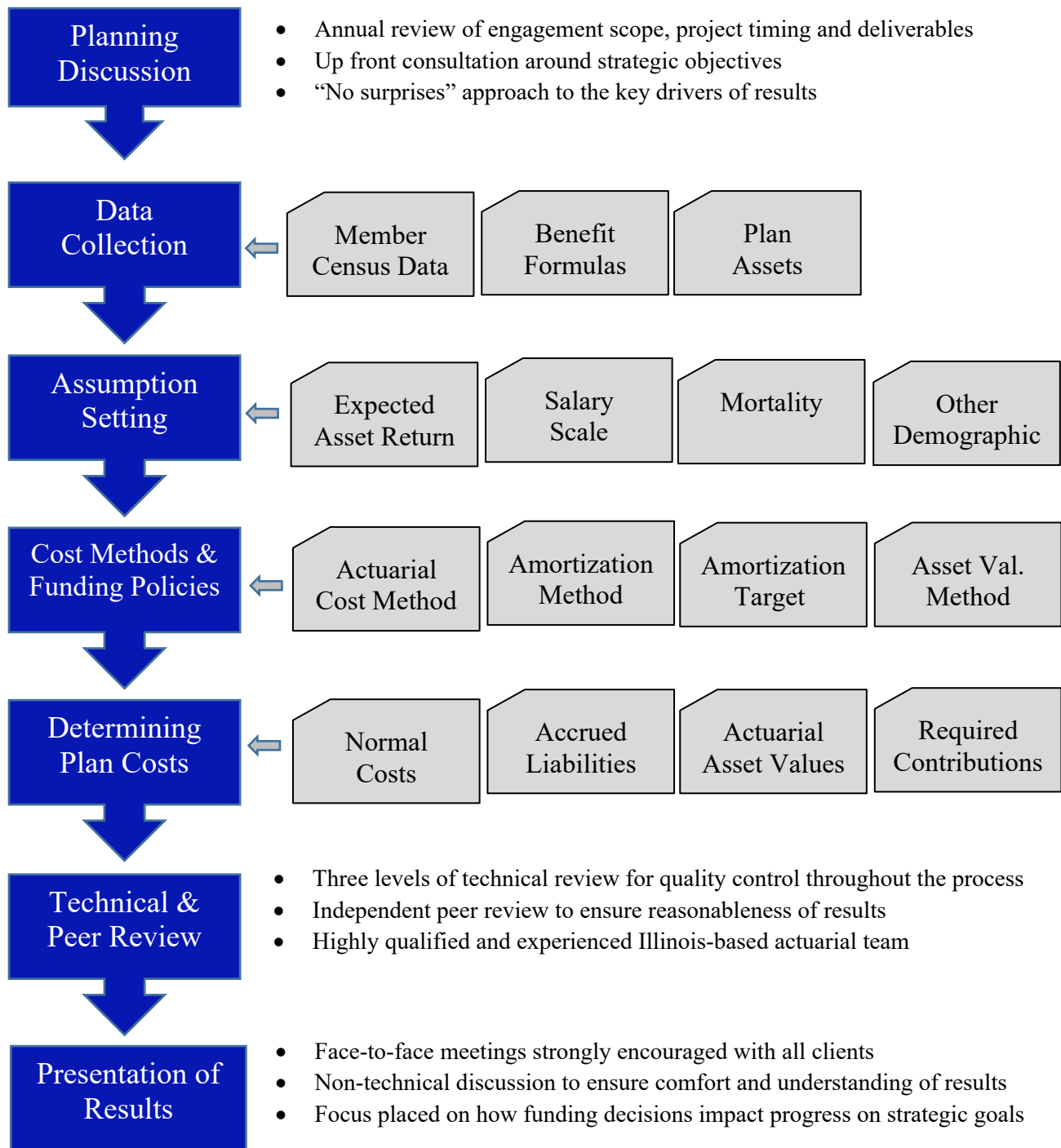
Our general process for actuarial valuations is shown on the following page as a series of steps. Execution of the process blends one step into the next with some steps overlapping. The valuation will be conducted in a manner consistent with the Code of Professional Conduct and Qualification Standards of the American Academy of Actuaries, including applicable Actuarial Standards of Practice (ASOPs). The process is generally repeated, with some modification, to develop separate results for recommended contributions, Illinois statutory minimum contributions and GASB 67/68 financial disclosures. One valuation report is developed specifically to detail the results of the recommended and statutory minimum contributions, while a separate report details results under GASB 67/68 governmental accounting for pensions.

Working with Service Providers

We understand that the Actuarial Process is a piece of a bigger puzzle in the management and administration of your pension funds. Our firm provides services ranging from monthly accounting and benefit payments, as well as audit and pension services administration. We know how the whole process works. We work with your service providers to ensure timely delivery of requested reports to help manage all of your timelines.



OVERALL APPROACH



OVERALL APPROACH

GASB 67/68 Reporting

GASB Statements 67 and 68 are in full effect. Our firm is a member of the Technical Accounting and Review Committee (TARC) that works to develop best practices in handling new government accounting standards, such as GASB 67/68, before they are even released. Todd Schroeder has been a frequent conference speaker on the topic of GASB 67/68, including presentations at the Illinois Municipal Treasurer's Association (IMTA) and the Illinois Public Pension Fund Association (IPPPA).

L&A actuarial reports are fully compliant with GASB 67/68. The reports are easy to read and easy for your auditors to incorporate in their process of developing financial disclosures. As part of a highly reputable audit firm, our actuaries are comfortable working with your auditors on their timeline to ensure that the audit process is not prolonged on account of the actuarial process.

One of the key differences in the new reporting standards is the methodology used to determine the long-term solvency of your pension fund. The new process requires a calculation of a single blended discount rate that reflects the long-term expected rate of return on assets to the extent that the fiduciary net position is sufficient to pay benefits in the future, along with a more conservative municipal bond rate beyond any point at which the fiduciary net position is expected to be depleted.

Our process for determining the single blended discount rate consists of the following:

- Collect data: participants, assets, assumptions, funding policies
- Project estimated future benefits based on the current participant group
- Determine and project recommended and actual contributions into the plan
- Project all future cash inflows and outflows (i.e., benefit payments and expenses)
- Identify the "cross-over point", if any, at which assets project to become depleted
- Determine a single blended rate that produces the same liability as the combined rates

Although the new GASB accounting standards have no direct impact on the tax levy recommendation process, GASB disclosures can serve as a means of evaluating long-term pension health through the projection of future pension cash flows. We will discuss GASB results with the pension Board and Municipality to provide insights about the long-term health and sustainability of the fund, including the impact on long-term cash funding requirements. In addition, certain GASB disclosures can serve as a means of monitoring the validity of your actuarial assumptions.



OVERALL APPROACH

Actuarial Assumptions

We guide all of our clients in the selection of reasonable actuarial assumptions. Key economic assumptions include the expected rate of return on assets and salary scale assumption. Key demographic assumptions include life expectancy (mortality), disability, retirement and termination rates.

Our approach to setting an expected rate of return on assets assumption is collaboration with the Board and its investment advisors, taking into account the fund's investment policy, asset allocation, and capital markets outlook for each asset class. We then look at all factors that can alter/modify those long-term expectations. For example, the impact of paying administration expenses from the fund, the impact of volatility over the long-term, cash needs to pay benefits, just to name a few. Our goal is not to be unrealistically optimistic nor conservative, but to drill down to what should be realistically expected on dollars contributed to each individual fund.

L&A is also unique in that we provide actuarial services to more Police and Firefighter Pension Funds in Illinois than any other provider. This enables us to conduct experience studies every 3 to 5 years on more Police and Firefighter lives than any other provider. Doing so provides us with more credible data on demographic experience within these funds, allowing us to develop actuarial assumptions unique and relevant to your active and retired member populations, such as the latest trends around when participants in these professions are retiring, how often are they expected to become disabled, and how long they are living as compared to the general population. We just completed a full experience study in 2020.

Our experience includes all sizes of Municipalities, Districts, and Police and Firefighter Pension Funds. We recognize that individual situations can create different experience when it comes to actuarial assumptions. That is why we advocate discussing individual circumstances with all of our clients.

Actuarial Cost Methods & Funding Policies

An Actuarial Cost Method is an approach to budgeting contributions made to a pension fund during an employee's working lifetime. There are several methods from which to choose. The State of Illinois has mandated the method to use for purposes of determining the Statutory Minimum Contribution for any given year. On the contrary, most public sector pension funds have commonly used a different method to better ensure long-term solvency.



OVERALL APPROACH

Actuarial Cost Methods & Funding Policies - Continued

After the Actuarial Cost Method is determined, a Funding Policy is used to determine the rate at which unfunded liability will be made up through future contributions. For example, 100% of the accrued liability will be funded over 20 years. We will walk through the advantages and disadvantages of various cost methods and funding policies to make sure your recommended contributions align with your goals and objectives. As important as it is to pin down the true emerging liability, through the selection of sound actuarial assumptions, we believe it is equally important to budget the annual costs appropriately through a financially sound funding policy.



ACTUARIAL VALUATION PROCESS

Strategic Planning

We believe that the actuarial valuation process should not end with the presentation of an annual recommended contribution. Due to sustained market pressures impacting both the asset and liability sides of most pension funds, we believe it is prudent for Board members and Trustees to take a broader view for strategic planning purposes.

L&A offers a Discussion & Analysis process that helps Boards and Municipalities come together to agree upon a funding policy that enhances the overall health of the fund. Too often, the health of a pension fund is viewed at a valuation “snapshot” date. While snapshots are useful, the true health of a pension fund is best defined by its long-term sustainability.

A Formal Funding Policy is one tool to assist with improving the long-term sustainability of a pension fund, as it can provide a better mechanism to account for rapidly increasing benefit payments.

In addition to Formal Funding Policies, our actuarial team also offers the following discretionary consulting services to assist with long-term strategic planning:

- ***Transition Plans*** into new funding policies
- ***5-Year Projections*** of cash contributions
- ***Sensitivity Analysis*** to alternative assumptions and actual asset return scenarios
- ***Comparison Reports*** (financial benchmarking to a broad universe and peer group of plans)

Most of the strategic planning services described above are available for an additional fee as they are not part of the annual actuarial valuation process. Please let us know if you would like additional information regarding any of these services, including the Discussion & Analysis funding policy process.

*Our Comparison
Report can
Benchmark Your
Fund's Key Financial
Metrics Against 300
Illinois Public
Pension Funds.*

*Transition Plans can
be Developed to Help
Migrate to new
Funding Policies in
Fiscally Tight
Situations.*



TECHNOLOGY & QUALITY ASSURANCE

Actuarial Valuation Software

As a firm, we develop and maintain our own proprietary actuarial valuation software. Our system includes capabilities for providing the pension plan's regular tax levy calculations and required GASB 67/68 projections and disclosures.

In addition, our valuation software includes capabilities for providing scenario planning, sensitivity analysis to various assumption changes, multi-year cash funding projections, and transition plans into alternative funding policies. We believe these additional capabilities are invaluable when it comes to helping our clients make long-term strategic planning decisions.

Peer Review

L&A reports are reviewed by numerous federal and state oversight agencies as well as other external professional agencies and organizations. The feedback from the independent reviews of our clients' financial statements indicates that L&A's reports meet, if not exceed, industry standards and reporting requirements. These reviews were undertaken as a condition of membership in the American Institute of Certified Public Accountants (AICPA), the national organization of CPAs in public practice, industry, government and education.

Quality Control

Our Quality Assurance Team is responsible for reviewing all financial statements before issuance, assisting in technical inquiries and reviewing reports of all engagements to verify compliance with professional standards and Firm policies. The processes we follow before delivering any report to a client are quite rigorous. All inputs and outputs from our valuation software, including summary actuarial valuation reports, are reviewed by at least three members of our actuarial team for both technical accuracy and general reasonableness.

In addition, the actuaries at L&A adhere to the high ethical standards detailed within the profession's Actuarial Standards of Practice (ASOPs). These evolving standards provide guidance on developing reasonable, best practices when it comes to setting actuarial assumptions and methods, as well as the measurement of pension obligations. Relevant pension-related ASOPs include:



TECHNOLOGY & QUALITY ASSURANCE

Quality Control – Continued

- ASOP #4, *Measuring Pension Obligations & Determining Plan Costs/ Contributions*
- ASOP #23, *Data Quality*
- ASOP #27, *Selection of Economic Assumptions for Measuring Pension Obligations*
- ASOP #35, *Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations*
- ASOP #41, *Actuarial Communications*
- ASOP #44, *Selection and Use of Asset Valuation Methods for Pension Valuations*
- ASOP #51, *Risk*

Our actuaries are guided by the professional responsibility to develop a reasonable “best-estimate” for each assumption and method used in the determination of pension plan liabilities, without introducing any unduly aggressive or conservative assumptions into the measurement process, then to work collaboratively with clients in setting long-term funding policies to meet those obligations. This approach helps to instill credibility in all calculations, adheres to the professional requirements of the ASOPs, minimizes tax levy surprises down the road, and maintains financial flexibility and options for Board members and Trustees.

Employee Conduct

L&A has procedures in place for employee conduct. The procedures address all areas of work including ethics, use of email, conflicts of interest, etc. Procedures include an annual review process to monitor and address adherence to firm policies. Employee conduct is also guided and monitored by the professional governing bodies they represent.

No member of our firm has been sanctioned by any licensing or regulatory body in the last five (5) years. Employers are permitted to make employment decisions based on criminal record, when a conviction is job-related and/or may affect their ability to perform the job. L&A will not employ an individual in a particular position if we are aware of his/her felony conviction(s), and by having such felony conviction(s) would impose significant risk to our firm, employees, and/or clients.



TECHNOLOGY & QUALITY ASSURANCE

Conflicts of Interest

Currently, there are no potential conflict of interest issues regarding our firm servicing the Village of Oak Park, Illinois.

As a firm, we maintain a client services database and, annually, all employees receive and attest to an Employee Independence Representation.

Specific guidelines to be followed, should a conflict of interest issue arise, are those set forth in the American Institute of Certified Public Accountants' (AICPA) Code of Professional Ethics. Additionally, we are in compliance with the standards established by the General Accounting Office (GOA).

Insurance

Our firm carries Errors & Omissions insurance. Our policy limit is \$5,000,000. Any client can be listed as an additional insured on this policy, by request, once a signed engagement letter for services is received by L&A.

Disaster Recovery Plan

L&A's electronic files are backed up twice daily and then again at the close of business each day. Weekly and then monthly backups are also performed and maintained offsite.

Nearly all paper copies of client files are maintained electronically, which are included in the electronic files backup process as described above. The most current two years of client paper copies are maintained onsite, with three additional years of files being maintained offsite.

L&A adheres to the State of Illinois' recommended practices for records retention.



PROPOSED SCHEDULE OF IMPLEMENTATION

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

IMPLEMENTATION SCHEDULE

Transition Schedule

We currently service the Village of Oak Park for both funding results and reporting on the financial statements under GASB 67/68 for both the Firefighters' Pension Fund and Police Pension Fund. Both funds are setup on our system and processes and will not require any implementation lead time.

Ongoing Schedule

L&A is dedicated to providing information in a timely fashion to meet the Village's goals and timelines.

The process starts with a request for data sent each year near the end of December or early January each year. The request is primarily for salary and membership data for each of the pension funds. We build in 2-3 weeks for response to the data request as well as answering any questions/clarifications on the information.

The next key step in the timeline is the completion of the draft reports for financial statement reporting under GASB 67/68. We look to issue draft reports between mid-February and early March. The exact timing is determined each year based on the timing of the Village's audit field work. These reports are draft, subject to review and discussion with the Village and the Village's Audit team.

Our next focus is on the funding requirements and recommendations for the pension funds. Our goal is to issue these reports between mid-March and late March each year in anticipation of presenting draft results to the Pension Boards during the spring board meetings. The reports are draft, subject to review and discussion with the Pension Boards, the Village, and the Audit teams.

The final reports are typically issued during April. The issuance of final reports and the timing is based on final approval of the Village, and confirmation of the final audited assets from the Auditor.

The final step is presentation of the results. This takes place typically in the spring and summer. The timing of the presentation of results is at the pleasure of the Village and the Pension Boards. The pension board presentations take place typically at the spring board meetings. Presentation to the Village Board is subject to the timing of budget discussions of the Village Board, and the availability of the Village Board's time.



REFERENCES

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

ACTUARIAL REFERENCES

Pension Fund References

Lincolnshire-Riverwoods Fire Protection District Firefighters' Pension Fund
115 Schelter Road
Lincolnshire, IL 60069
Contact: Duane Christensen, Trustee
Phone: (847) 634-2512
Email: dchristensen@lrfpd.org

Berwyn Firefighters' Pension Fund
6700 W. 26th Street
Berwyn, IL 60402
Contact: Jerry Marzullo
Phone: (708) 415-7771
Email: jmarz77@hotmail.com

Village of Oak Lawn
9446 Raymond Avenue
Oak Lawn, IL 60453
Contact: Brian Hanigan, Finance Director
Phone: (708) 499-7760
Email: bhanigan@oaklawn-il.gov

Village of Woodridge
5 Plaza Drive
Woodridge, IL 60517
Contact: Nadine Alletto, Director of Finance
Phone: (630) 719-4713
Email: NAlletto@vil.woodridge.il.us

Supervising Actuary and Key Staff

For additional detail on key staff and the supervising Actuary, please see the section on Respondent Detail.



COST PROPOSAL

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

FEES AND BILLING

Fees – Summary

As requested, our proposed fees have been included under *Attachement 1 – Cost Proposal Form*. We have included some additional detail below.

Fees – 3 Year Service Agreement

Annual Actuarial Services	Fiscal Year End December 31, 2020	Fiscal Year End December 31, 2021	Fiscal Year End December 31, 2022
Preparation of the Fire Pension Funding Report	\$2,400	\$2,450	\$2,500
Preparation of the Fire Pension GASB 67/68 Report	\$2,400	\$2,450	\$2,500
Preparation of the Police Pension Funding Report	\$2,400	\$2,450	\$2,500
Preparation of the Police Pension GASB 67/68 Report	\$2,400	\$2,450	\$2,500
Total Annual Services	\$9,600	\$9,800	\$10,000

The fees above are offered with a three-year agreement for fiscal years ending December 31, 2020 through December 31, 2022. Our annual fees include attendance at up to three (3) meetings per year to discuss actuarial results with each of your Pension Boards and with the Village. The Village has the right to terminate the agreement at any point during the contract with 30 days notice should the services not be required due to legislative changes, or any other reason.

Out-of-Scope Projects

L&A can provide additional actuarial consulting services that are considered out-of-scope from the above flat fee projects. Out-of-scope projects are billed at a rate of \$250/hour. Upon request, we will provide a flat fee quote in lieu of an hourly rate at the time additional services are requested, when the scope of the services can be reasonably defined and mutually agreed upon.



FEES AND BILLING

Fee Control

We collect and reconcile data for roughly 350 Illinois Police and Firefighters' Pension Funds, creating high levels of efficiency in that process. In addition, Actuarial Services at L&A were established over a period of time, thus creating efficiencies to minimize the cost of valuation work. We only bill for services performed, while additional projects are billed at a reasonable rate of \$250/hour. Additionally, our actuaries attend your meetings at no additional charge. We believe this improves the effectiveness of our services and advice, and helps to better control costs and risks over the long-term. Finally, we believe our guaranteed fixed fees for three years is an effective and valuable means to control costs in an inflationary environment.

Billing

Our actuarial service line typically emails invoices for our valuation services once per year following delivery of the valuation reports to your Pension Board or Trustees. Additional billings may occur for out-of-scope projects upon completion of the work.



LICENSE TO PROVIDE SERVICE IN ILLINOIS AND DISCLOSURES

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

FEES AND BILLING

Licensing

Lauterbach & Amen, LLP is a partnership registered to do business in the State of Illinois. The license is current and in good standing.

All assigned key personnel are licensed to do business in the State of Illinois. Our professional licenses are governed by the Internal Revenue Service, and multiple U.S. Actuarial governing bodies including the Society of Actuaries, the American Academy of Actuaries, and the Conference of Consulting Actuaries. Each of these governing bodies operates on a nationwide basis. The corresponding licensing is applicable across the U.S.

Litigation

No member of our firm has been sanctioned by any licensing or regulatory body in the last five (5) years that dealt with quality of services and/or fee disputes.



PROFESSIONAL SERVICES AGREEMENT TEMPLATE

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

PROFESSIONAL SERVICES AGREEMENT

Agreement Template

We have reviewed the Professional Services Agreement template in Attachment 5. We can agree to all sections of the agreement.



ATTACHMENTS

Lauterbach & Amen, LLP

668 North River Road
Naperville, IL 60563
www.lauterbachamen.com

ATTACHMENTS

Attachments

Please see the following pages for completed copies of the required attachments.

1. Cost Proposal Form
2. Tax Compliance Certificate
3. EEO Report
4. Decline to propose (not applicable)
5. Professional Services Agreement





Oak Park

Attachment 1. Cost Proposal Form

Provide cost proposal in the space provided below:

Fiscal Year	Annual Fee		
	Police Valuation	Firefighter Valuation	Total
12/31/20	\$4,800	\$4,800	\$9,600
12/31/21	\$4,900	\$4,900	\$9,800
12/31/22	\$5,000	\$5,000	\$10,000
TOTAL			

Todd A. Schroeder

Signature of Authorized Representative

Todd A. Schroeder

Printed Name of Authorized Representative

Director, Lauterbach + Amen, LLP

Title & Name of Firm

7/30/2020

Date



Attachment 2. Compliance Affidavit

I, Todd A. Schroeder being first duly sworn on oath depose and state as follows:

(Print Name)

1. I am the (title) Director of Actuarial Services of the Proposing Firm ("Firm") and am authorized to make the statements contained in this affidavit on behalf of the Firm.
2. The Firm is organized as indicated on Exhibit A to this Affidavit, entitled "Organization of Proposing Firm," which Exhibit is incorporated into this Affidavit as if fully set forth herein.
3. I have examined and carefully prepared this proposal based on the Request for Proposals and verified the facts contained in the proposal in detail before submitting it.
4. I authorize the Village of Oak Park to verify the Firm's business references and credit at its option.
5. Neither the Firm nor its affiliates¹ are barred from proposing on this project as a result of a violation of 720 ILCS 5/33E-3 or 33E-4 relating to bid rigging and bid rotating, or Section 2-6-12 of the Oak Park Village Code related to "Proposing Requirements".
6. Neither the Firm nor its affiliates is barred from contracting with the Village of Oak Park because of any delinquency in the payment of any debt or tax owed to the Village except for those taxes which the Firm is contesting, in accordance with the procedures established by the appropriate revenue act, liability for the tax or the amount of the tax. I understand that making a false statement regarding delinquency in taxes is a Class A Misdemeanor and, in addition, voids the contract and allows the Village of Oak Park to recover all amounts paid to the Firm under the contract in a civil action.
7. I am familiar with Section 13-3-2 through 13-3-4 of the Oak Park Village Code relating to Fair Employment Practices and understand the contents thereof; and state that the Proposing Firm is an "Equal Opportunity Employer" as defined by Section 2000(E) of Chapter 21, Title 42 of the United States Code Annotated and Federal Executive Orders #11246 and #11375 which are incorporated herein by reference.

8. All statements made in this Affidavit are true and correct.

Signature: Todd A. Schroeder

Printed Name Todd A. Schroeder

Name of Business: Lauterbach + Amen, LLP

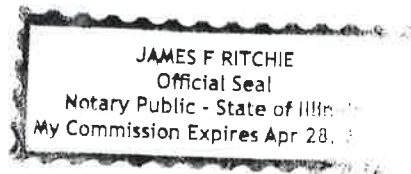
Your Title: Director

Business Address: 668 N. River Road Naperville, IL 60563
(Number, Street, Suite #) (City, State & Zip)

¹ Affiliates means: (i) any subsidiary or parent of the bidding or contracting business entity, (ii) any member of the same unitary business group; (iii) any person with any ownership interest or distributive share of the bidding or contracting business entity in excess of 7.5%; (iv) any entity owned or controlled by an executive employee, his or her spouse or minor children of the bidding or contracting business entity.

Subscribed to and sworn before me on this 31st day of July, 2020.


Notary Public





Attachment 3. EEO report

Please fill out their form completely. Failure to respond truthfully to any questions on their form, or failure to cooperate fully with further inquiry by the Village of Oak Park will result in disqualification of proposal. An incomplete form will disqualify your proposal.

1. Vendor Name: Lauterbach + Amen, LLP
2. Check here if your firm is:

<u> </u>	MBE
<u> </u>	WBE
<u> X </u>	Non MBE/WBE

(Copies of all certification letters must be included)

3. What is the size of the firm's current stable work force?

<u> 175 </u>	Number of full-time employees
<u> 5 </u>	Number of part-time employees



Attachment 4 No Proposal Explanation

If your firm does not wish to submit a proposal, so that we may make future improvements if deemed necessary, please provide us with this attachment and include in the space below any comments you may have concerning this proposal or any related factors that prevented you from submitting a response.

Proposal No: RFP #20-200
Department: Finance
Project Name: Actuarial Valuation Services, Police and
 Firefighter Pension Funds
Date Issued: June 15, 2020

Comments:

Not Applicable



ATTACHMENT 5

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter referred to as the "Agreement") is entered into this ____ day of _____, 2020, between the Village of Oak Park, an Illinois home rule municipal corporation (hereinafter referred to as the "Village"), and _____, (hereinafter referred to as the "Contractor").

RECITALS

WHEREAS, the Village intends to have professional services performed by the Contractor to provide annual police and firefighters' pension actuarial valuations for a three year term ("Services"); and

WHEREAS, the Village issued a Request for Proposals ("RFP") for said Services dated June 15, 2020, incorporated herein as though fully set forth and the Contractor submitted its Proposal in response to the RFP received by the Village on _____, 2020, attached hereto and incorporated herein as though fully set forth; and

WHEREAS, the Contractor has represented to the Village that it has necessary expertise to perform the Services and has expressed its willingness to furnish its services subject to terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. RECITALS INCORPORATED.

The above recitals are incorporated herein as though fully set forth.

2. SERVICES OF THE CONTRACTOR.

2.1. The Contractor shall provide the Services set forth herein pursuant to its Proposal.

2.2. The Contractor shall be responsible for any delay in the Services to be provided pursuant to this Agreement due to the Contractor's failure to provide any required submittal in conformance with this Agreement.

2.3. In case of a conflict between a provision of the Contractor's Proposal and this Agreement or the RFP, this Agreement or the Village's RFP shall control to the extent of such conflict.

2.4. Village Authorized Representative. The Village's Chief Financial Officer or the Chief Financial Officer's designee shall be deemed the Village's authorized representative, unless applicable law requires action by the Corporate Authorities, and shall have the power and authority to make or grant or do those things, certificates, requests, demands, approvals, consents notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the Village and with the effect of binding the Village as limited by this Agreement. The Contractor is entitled to rely on the full power and authority of the person executing this Agreement on behalf of the Village as having been properly and legally given by the Village. The Village shall have the right to change its authorized representative by providing the Contractor with written notice of such change which notice shall be sent in accordance with Section 18 of this Agreement.

2.5. Contractor's Authorized Representative. In connection with the foregoing and other actions to be taken under this Agreement, the Contractor hereby designates Todd Schroeder as its authorized representative who shall have the power and authority to make or grant or do all things, certificates, requests, demands, approvals, consents, notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the Contractor and with the effect of binding the Contractor. The Village is entitled to rely on the full power and authority of the person executing this Agreement on behalf of the Contractor as having been properly and legally given by the Contractor. The Contractor shall have the right to change its Authorized Representative by providing the Village with written notice of such change which notice shall be sent in accordance with Section 18 of this Agreement.

2.6. The Contractor shall be an independent contractor to the Village. The Contractor shall solely be responsible for the payment of all salaries, benefits and costs of supplying personnel its services. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against the Contractor or the Village. The Contractor's services under this Agreement are being performed solely for the Village's benefit, and no other party or entity shall have any claim against the Contractor because of this Agreement or the performance or nonperformance of services hereunder.

3. COMPENSATION FOR SERVICES.

3.1. The Village shall compensate the Contractor for the Services in an annual not-to-exceed amount of \$_____ for calendar year 2020, \$_____ for calendar year 2021, and \$_____ for calendar year 2022 which includes all required actuarial valuation and related services for the combined police and firefighters' pension valuations. Should work be requested outside the agreed-upon scope of the engagement, the fee for such project shall not exceed \$___ per hour and be based on actual time. The Contractor shall invoice the Village only upon completion and approval of each actuarial pension valuation with the exception that an annual advance or progress payment of no more than \$750 per each actuarial valuation may be invoiced upon the start of the engagement and before final completion and approval.

3.2. The Village may, at any time, by written order, make changes within the general scope of this Agreement in the Services to be performed by the Contractor. If such changes cause an increase or decrease in the amount to be paid to Contractor or time required for performance of any Services under this Agreement, whether or not changed by any order, an equitable adjustment shall be made and this Agreement shall be modified in writing accordingly. No service for which additional compensation will be charged by the Contractor shall be furnished without the written authorization of the Village.

3.3. Notwithstanding any other provision of this Agreement and without prejudice to any of the Village's rights or remedies, the Village shall have the right at any time or times to withhold from any payment such amount as may reasonably appear necessary to compensate the Village for any actual or prospective loss due to: (1) Services that are defective, damaged, flawed, unsuitable, nonconforming, or incomplete; (2) damage for which the Contractor is liable under this Agreement; (3) claims of subcontractors, suppliers, or other persons performing Contractor's Services if applicable; (4) delay in the progress or completion of the Services; (5) inability of the Contractor to complete the Services; (6) failure of the Contractor to properly complete or document any pay request; (7) any other failure of Contractor to perform any of its obligations under this Agreement; or (8) the cost to the Village, including attorneys' fees and administrative costs, of correcting any of the aforesaid matters or exercising any one or more of the Village's remedies set forth in this Agreement. The Village must notify the Contractor of cause for withholding within fourteen (14) days of receiving invoice.

3.4. The Village shall be entitled to retain any and all amounts withheld pursuant to this Agreement until the Contractor shall have either performed the obligations in question or furnished security for such performance satisfactory to the Village. The Village shall be entitled to apply any money withheld or any other money due the Contractor under this Agreement to reimburse itself for any and all costs, expenses, losses, damages, liabilities, suits, judgments, awards, attorneys' fees, and administrative expenses incurred, suffered, or sustained by the Village and chargeable to the Contractor under this Agreement.

3.5. The Contractor's Services shall be considered complete on the date of final written acceptance by the Village, which acceptance shall not be unreasonably withheld or delayed. As soon as practicable after final acceptance, the Village shall pay to the Contractor the balance of any amount due and owing under this Agreement, after deducting therefrom all charges against the Contractor as provided for in this Agreement ("Final Payment"). The acceptance by Contractor of Final Payment with respect to the Services shall operate as a full and complete release of the Village of and from any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses of, by, or to the Contractor for anything done, furnished for, arising out of, relating to, or in connection with the Services, except for such claims as the Contractor reserved in writing at the time of submitting its invoice for final payment.

4. TERM AND TERMINATION.

4.1. This Agreement shall be for three fiscal years beginning with fiscal year 2020, take effect upon execution of this agreement, and conclude by the earlier of completion of Services as set forth in this Agreement or June 30, 2023, whichever occurs later.

4.2. This Agreement may be terminated, in whole or in part, by either party if the other party substantially fails to fulfill its obligations under this Agreement through no fault of the terminating party. The Village may terminate this Agreement, in whole or in part, for its convenience. No such termination may be effected unless the terminating party gives the other party (1) not less than ten (10) calendar days' written notice pursuant to Section 18 below of its intent to terminate.

4.3. If this Agreement is terminated by either party, the Contractor shall be paid for Services performed to the effective date of termination, including reimbursable expenses. In the event of termination, the Village shall receive reproducible copies of drawings, specifications and other documents completed by the Contractor pursuant to this Agreement.

5. INDEMNIFICATION.

5.1. To the fullest extent permitted by law, the Contractor hereby agrees to defend, indemnify and hold harmless the Village and its officers, officials, employees, agents, and volunteers against all injuries, deaths, loss, damages, claims, patent claims, suits, liabilities, judgments, cost and expenses, including, but not limited to, reasonable attorney's fees and court costs (hereinafter referred to as "Claims") which may accrue against the Village and its officers, officials, employees, agents and volunteers, arising out of the negligent performance of the work by the Contractor, its employees, or subcontractors, except for the negligence of the Village or its officers, officials employees, agents or volunteers. The Contractor's duty to defend shall not apply with respect to any Claims that arise from the performance of professional services.

6. INSURANCE.

6.1. The Contractor shall, at the Contractor's expense, secure and maintain in effect throughout the duration of this Agreement, insurance of the following kinds and limits set forth in this Section 5. The Contractor shall furnish Certificates of Insurance to the Village before starting work or within ten (10) days after the notice of award of the Agreement, which ever date is reached first. All insurance policies, except professional liability insurance, shall be written with insurance companies licensed to do business in the State of Illinois and having a rating of at least A according to the latest edition of the Best's Key Rating Guide; and shall include a provision preventing cancellation of the insurance policy unless fifteen (15) days prior written notice is given to the Village. This provision shall also be stated on each Certificate of Insurance: "Should any of the above described policies be canceled before the expiration date, the issuing company shall mail fifteen (15) days' written notice to the certificate holder named to the left." The Contractor shall require any of its subcontractors to secure and maintain insurance as set forth in this Section 5 and indemnify, hold harmless and defend the Village, its officers, officials, employees, agents and volunteers as set forth in this Agreement.

6.2. The limits of liability for the insurance required shall provide coverage for not less than the following amounts, or greater where required by law:

(A) **Commercial General Liability:**

- i. Coverage to include, Broad Form Property Damage, Contractual and Personal Injury.
- ii. Limits:

General Aggregate	\$ 2,000,000.00
Each Occurrence	\$ 1,000,000.00
Personal Injury	\$ 1,000,000.00
- iii. Cover all claims arising out of the Contractor's operations or premises, anyone directly or indirectly employed by the Contractor.

(B) **Professional Liability:**

- i. Per Claim/Aggregate \$2,000,000.00
- ii. Cover all claims arising out of the Contractor's operations or premises, anyone directly or indirectly employed by the Contractor, and the Contractor's obligations under the indemnification provisions of this Agreement to the extent same are covered.

(C) **Workers' Compensation:**

- i. Workers' compensation insurance shall be in accordance with the provisions of the laws of the State of Illinois.

(D) **Umbrella:**

i. Limits:

Each Occurrence/Aggregate \$2,000,000.00

- (E) The Village, its officers, officials, employees, agents and volunteers shall be named as an additional insured on all insurance policies identified herein except workers' compensation and professional liability. The Contractor shall be responsible for the payment of any deductibles for said insurance policies. The coverage shall contain no special limitations on the scope of protection afforded to the Village, its officers, officials, employees, agents and volunteers.

6.3. The Village and the Contractor agree to waive against each other all claims for special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.

6.4. The Contractor understands and agrees that, except as to Professional Liability, any insurance protection required by this Agreement or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify, keep and save harmless, and defend the Village its officers, officials, employees, agents and volunteers as herein provided. The Contractor waives and agrees to require its insurers to waive its rights of subrogation against the Village, its officers, officials, employees, agents and volunteers.

7. SUCCESSORS AND ASSIGNS.

7.1. The Village and the Contractor each bind themselves and their partners, successors, executors, administrators and assigns to the other party of this Agreement and to the partners, successors, executors, administrators and assigns of such other party in respect to all covenants off this Agreement. Except as above, neither the Village nor the Contractor shall assign, sublet or transfer its interest in this Agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body that may not be a party hereto, nor shall it be construed as giving any right or benefits hereunder to anyone other than the Village and the Contractor.

8. FORCE MAJEURE.

8.1. Neither the Contractor nor the Village shall be responsible for any delay caused by any contingency beyond their control, including, but not limited to: acts of nature, war or insurrection, strikes or lockouts, walkouts, fires, natural calamities, riots or demands or requirements of governmental agencies.

9. AMENDMENTS AND MODIFICATIONS.

9.1. This Agreement may be modified or amended from time to time provided, however, that no such amendment or modification shall be effective unless reduced to writing and duly authorized and signed by the authorized representative of the Village and the authorized representative of the Contractor.

10. STANDARD OF CARE.

10.1. The Contractor is responsible for the quality, technical accuracy, timely completion, and coordination of all specifications, reports and other professional services furnished or required under this Agreement, and shall endeavor to perform such services with the same skill and judgment which can be reasonably expected from similarly situated professionals.

10.2. The Contractor shall be responsible for the accuracy of its professional Services under this Agreement and shall promptly make revisions or corrections resulting from its errors, omissions, or negligent acts without additional compensation. The Village's acceptance of any of Contractor's professional services shall not relieve Contractor of its responsibility to subsequently correct any such errors or omissions, provided the Village notifies Contractor thereof within one year of completion of the Contractor's Services.

10.3. The Contractor shall respond to the Village's notice of any errors and/or omissions within seven (7) days of written confirmation by the Contractor of the Village's notice. Such confirmation may be in the form of a facsimile confirmation receipt by the Village, or by actual hand delivery of written notice by the Village to the Contractor.

10.4. The Contractor shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement.

10.5. The Contractor shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the Services are provided, performed, and completed in accordance with all required governmental permits, licenses, and other approvals and authorizations that may be required in connection with providing, performing, and completing the Services, and with all applicable statutes, ordinances, rules, and regulations, including, but not limited to, the Fair Labor Standards Act; any statutes regarding qualification to do business; any statutes prohibiting discrimination because of, or requiring affirmative action based on race, color, religion, sex, national origin, ancestry, age, order of protection status, marital status, physical or mental disability, military status, sexual orientation, or unfavorable discharge from military service or other prohibited classification, including, without limitation, the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 *et seq.*, and the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.* The Contractor shall also comply with all conditions of any federal, state, or local grant received by the Village or the Contractor with respect to this Agreement.

10.6. The Contractor shall be solely liable for any fines or civil penalties that are imposed by any governmental or quasi-governmental agency or body that may arise, or be alleged to have arisen, out of or in connection with the Contractor's, or its subcontractors',

performance of, or failure to perform, the Services required pursuant to this Agreement or any part thereof.

11. DRAWINGS, DOCUMENTS AND BOOKS AND RECORDS.

11.1. Drawings, plans, specifications, photos, reports, information, observations, calculations, notes and any other reports, documents, data or information, in any form, prepared, collected, or received by the Contractor in connection with any or all of the Services to be provided pursuant to this Agreement ("Documents") shall be and remain the property of the Village upon completion of the project and payment to the Contractor all amounts then due under this Agreement. At the Village's request, or upon termination of this Agreement, the Documents shall be delivered promptly to the Village. The Contractor shall have the right to retain copies of the Documents for its files. The Contractor shall maintain files of all Documents unless the Village shall consent in writing to the destruction of the Documents, as required herein.

11.2. The Contractor's Documents and records pursuant to this Agreement shall be maintained and made available during performance of Project Services under this Agreement and for three (3) years after completion of the Project. The Contractor shall give notice to the Village of any Documents to be disposed of or destroyed and the intended date after said period, which shall be at least ninety (90) days after the effective date of such notice of disposal or destruction. The Village shall have ninety (90) days after receipt of any such notice to give notice to the Contractor not to dispose of or destroy said Documents and to require Contractor to deliver same to the Village, at the Village's expense. The Contractor and any subcontractors shall maintain for a minimum of three (3) years after the completion of this Agreement, or for three (3) years after the termination of this Agreement, whichever comes later, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the Agreement. The Agreement and all books, records and supporting documents related to the Agreement shall be available for review and audit by the Village and the federal funding entity, if applicable, and the Contractor agrees to cooperate fully with any audit conducted by the Village and to provide full access to all materials. Failure to maintain the books, records and supporting documents required by this subsection shall establish a presumption in favor of the Village for recovery of any funds paid by the Village under the Agreement for which adequate books, records and supporting documentation are not available to support their purported disbursement. The Contractor shall make the Documents available for the Village's review, inspection and audit during the entire term of this Agreement and three (3) years after completion of the Project as set forth herein and shall fully cooperate in responding to any information request pursuant to the Illinois Freedom of Information Act, 5 ILCS 140/1 *et seq.* by providing any and all responsive documents to the Village.

11.3. The Contractor shall furnish all records related to this Agreement and any documentation related to the Village required under an Illinois Freedom of Information Act

(ILCS 140/1 et. seq.) ("FOIA") request within five (5) business days after the Village issues notice of such request to the Contractor. The Contractor shall not apply any costs or charge any fees to the Village regarding the procurement of records required pursuant to a FOIA request. The Contractor shall defend, indemnify, and hold harmless the Village, and agrees to pay all reasonable costs connected therewith (including, but not limited to reasonable attorney's and witness fees, filing fees, and any other expenses) for the Village to defend any and all causes, actions, causes of action, disputes, prosecutions, or conflicts arising from the Contractor's actual or alleged violation of the FOIA, or the Contractor's failure to furnish all documentation related to a request within five (5) days after the Village issues notice of a request. Furthermore, should the Contractor request that the Village utilize a lawful exemption under FOIA in relation to any FOIA request thereby denying that request, the Contractor agrees to pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fees, and any other expenses) to defend the denial of the request. The defense shall include, but not be limited to, challenged or appealed denials of FOIA requests to either the Illinois Attorney General or a court of competent jurisdiction. The Contractor shall defend, indemnify, and hold harmless the Village, and agrees to pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fees and any other expenses) to defend any denial of a FOIA request by the Contractor's request to utilize a lawful exemption to the Village.

11.4. The Contractor shall have the right to include among the Contractor's promotional and professional materials those drawings, renderings, other design documents and other work products that are prepared by the Contractor pursuant to this Agreement (collectively "Work Products"). The Village shall provide professional credit to the Contractor in the Village's development, promotional and other materials which include the Contractor's Work Products.

12. SAVINGS CLAUSE.

12.1. If any provision of this Agreement, or the application of such provision, shall be rendered or declared invalid by a court of competent jurisdiction, or by reason of its requiring any steps, actions or results, the remaining parts or portions of this Agreement shall remain in full force and effect.

13. NON-WAIVER OF RIGHTS.

13.1. No failure of either party to exercise any power given to it hereunder or to insist upon strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, nor any payment under this agreement shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

13.2. This Agreement shall not prohibit the Contractor from providing its Services to any other public or private entity or person. In the event that the Contractor provides Services

to a public or private entity or person, the Village, at its sole discretion, may determine that such Services conflict with a service to be provided to the Village by Contractor, and the Village may select another vendor to provide such Services as the Village deems appropriate.

14. THE VILLAGE'S REMEDIES.

14.1. If it should appear at any time prior to final payment that the Contractor has failed or refused to prosecute, or has delayed in the prosecution of, the Services to be provided pursuant to this Agreement with diligence at a rate that assures completion of the Services in full compliance with the requirements of this Agreement, or has attempted to assign this Agreement or the Contractor's rights under this Agreement, either in whole or in part, or has falsely made any representation or warranty, or has otherwise failed, refused, or delayed to perform or satisfy any other requirement of this Agreement or has failed to pay its debts as they come due ("Event of Default"), and has failed to cure, or has reasonably commenced to cure any such Event of Default within fifteen (15) business days after Contractor's receipt of written notice of such Event of Default, then the Village shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

14.1.1. The Village may require the Contractor, within such reasonable time as may be fixed by the Village, to complete or correct all or any part of the Services that are defective, damaged, flawed, unsuitable, nonconforming, or incomplete and to take any or all other action necessary to bring the Services into compliance with this Agreement;

14.1.2. The Village may accept the defective, damaged, flawed, unsuitable, nonconforming, incomplete, or dilatory Services or part thereof and make an equitable reduction in the Contract Price;

14.1.3. The Village may terminate this Agreement without liability for further payment of amounts due or to become due under this Agreement except for amounts due for Services properly performed prior to termination;

14.1.4. The Village may withhold any progress payment or final payment from the Contractor, whether or not previously approved, or may recover from Contractor, any and all costs but not exceeding the amount of the Contract Price, including attorneys' fees and administrative expenses, incurred by the Village as the result of any Event of Default or as a result of actions taken by the Village in response to any Event of Default; or

14.1.5. The Village may recover any damages suffered by the Village as a result of the Contractor's Event of Default.

15. NO COLLUSION.

15.1. The Contractor hereby represents and certifies that the Contractor is not barred from contracting with a unit of state or local government as a result of: (1) a delinquency in the payment of any tax administered by the Illinois Department of Revenue unless Contractor is contesting, in accordance with the procedures established by the appropriate revenue Act, its liability for the tax or the amount of the tax, as set forth in 65 ILCS 5/11-42.1-1; or (2) a violation of either Section 33E-3 or Section 33E-4 of Article 33E of the Criminal Code of 1961, 720 ILCS 5/33E-1 *et seq.* The Contractor hereby represents that the only persons, firms, or corporations interested in this Agreement are those disclosed to the Village prior to the execution of this Agreement, and that this Agreement is made without collusion with any other person, firm, or corporation. If at any time it shall be found that Contractor has in procuring this Agreement, colluded with any other person, firm, or corporation, then the Contractor shall be liable to the Village for all loss or damage that the Village may suffer thereby, and this Agreement shall, at the Village's option, be null and void and subject to termination by the Village.

16. ENTIRE AGREEMENT.

16.1. This Agreement sets forth all the covenants, conditions and promises between the parties, and it supersedes all prior negotiations, statements or agreements, either written or oral, with regard to its subject matter. There are no covenants, promises, agreements, conditions or understandings between the parties, either oral or written, other than those contained in this Agreement.

17. GOVERNING LAW AND VENUE.

17.1. This Agreement shall be governed by the laws of the State of Illinois both as to interpretation and performance.

17.2. Venue for any action brought pursuant to this Agreement shall be in the Circuit Court of Cook County, Illinois.

18. NOTICE.

18.1. Any notice required to be given by this Agreement shall be deemed sufficient if made in writing and sent by certified mail, return receipt requested, by personal service or electronic transmission to the persons and addresses indicated below or to such other addresses as either party hereto shall notify the other party of in writing pursuant to the provisions of this subsection:

Village Manager
Village of Oak Park
123 Madison Street
Oak Park, Illinois 60302
Email: villagemanager@oak-park.us

Email: _____

18.2. Mailing of such notice as and when above provided shall be equivalent to personal notice and shall be deemed to have been given at the time of mailing.

18.3. Notice by electronic transmission shall be effective as of date and time of electronic transmission, provided that the notice transmitted shall be sent on business days during business hours (9:00 a.m. to 5:00 p.m. Chicago time). In the event electronic notice is transmitted during non-business hours, the effective date and time of notice is the first hour of the first business day after transmission.

19. BINDING AUTHORITY.

19.1. The individuals executing this Agreement on behalf of the Contractor and the Village represent that they have the legal power, right, and actual authority to bind their respective parties to the terms and conditions of this Agreement.

20. HEADINGS AND TITLES.

20.1. The headings or titles of any provisions of this Agreement are for convenience or reference only and are not to be considered in construing this Agreement.

21. COUNTERPARTS; FACSIMILE OR PDF SIGNATURES.

21.1. This Agreement may be executed in counterparts, each of which shall be considered an original and together shall be one and the same Agreement.

21.2. A facsimile or pdf/email copy of this Agreement and any signatures thereon will be considered for all purposes as an original.

22. EFFECTIVE DATE.

22.1. As used in this Agreement, the Effective Date of this Agreement shall be the date that the Village Manager for the Village of Oak Park executes this Agreement as set forth below.

23. AUTHORIZATIONS.

23.1 The Contractor's authorized representatives who have executed this Agreement warrant that they have been lawfully authorized by the Contractor's board of directors or its by-

laws to execute this Agreement on its behalf. The Village Manager warrants that she has been lawfully authorized to execute this Agreement. The Contractor and the Village shall deliver upon request to each other copies of all articles of incorporation, bylaws, resolutions, ordinances or other documents which evidence their legal authority to execute this Agreement on behalf of their respective parties.

24. EQUAL OPPORTUNITY EMPLOYER.

24.1. The Contractor is an equal opportunity employer and the requirements of 44 Ill. Adm. Code 750 APPENDIX A and Chapter 13 ("Human Rights") of the Oak Park Village Code are incorporated herein as though fully set forth. The Contractor shall not discriminate against any employee or applicant for employment because of race, sex, gender identity, gender expression, color, religion, ancestry, national origin, veteran status, sexual orientation, age, marital status, familial status, source of income, disability, housing status, military discharge status, or order of protection status or physical or mental disabilities that do not impair ability to work, and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization. The Contractor shall comply with all requirements of Chapter 13 ("Human Rights") of the Oak Park Village Code.

24.2. In the event of the Contractor's noncompliance with any provision of Chapter 13 ("Human Rights") of the Oak Park Village Code, the Illinois Human Rights Act or any other applicable law, the Contractor may be declared non-responsible and therefore ineligible for future Agreements or subcontracts with the Village, and the Agreement may be cancelled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation.

24.3. In all solicitations or advertisements for employees placed by it on its behalf, the Contractor shall state that all applicants will be afforded equal opportunity without discrimination because of race, sex, gender identity, gender expression, color, religion, ancestry, national origin, veteran status, sexual orientation, age, marital status, familial status, source of income, disability, housing status, military discharge status, or order of protection status or physical or mental disabilities that do not impair ability to work.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK -
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representatives on the dates set forth below.

VILLAGE OF OAK PARK

By: Cara Pavlicek
Its: Village Manager

By: _____
Its: _____

Dated: _____, 2020

Dated: _____, 2020

ATTEST

ATTEST

By: Vicki Scaman
Its: Village Clerk

By: _____
Its: _____

Dated: _____ 2020

Dated: _____, 2020