

# ***COLLECTION SERVICES AGREEMENT***

## ***Municipal Collections of America, Inc***

This COLLECTION SERVICES AGREEMENT, made the 7<sup>th</sup> day of January 2020 by and between Municipal Collections of America, Inc, (MCOA) an Illinois corporation, and the Village of Campton Hills, Illinois (hereinafter referred to as THE MUNICIPALITY).

WHEREAS, MCOA is a duly licensed collection agency in the State of Illinois, and;

WHEREAS, MCOA possesses the personnel, experience, expertise, and equipment to effectively aid THE MUNICIPALITY in collecting the said fines through an effective collection process and;

WHEREAS, THE MUNICIPALITY may wish to list certain other debts with MCOA for collection from time to time and MCOA may wish to accept such claims for collection. MCOA retains the right to reject any debt submitted for collection and will provide explanation for such action if taken.

MCOA and THE MUNICIPALITY do hereby agree as follows:

### ***ARTICLE I***

THE MUNICIPALITY agrees that any debts and/or fines listed for collection with MCOA will be collected and administered pursuant to all the terms and conditions in this Agreement.

All municipal debts and fines listed for collection will be forwarded to MCOA, using the forms and procedures designated by MCOA.

Upon request of MCOA, THE MUNICIPALITY will provide certified copies of any documentation deemed necessary for use by MCOA in its collection efforts in a timely manner.

MCOA will acknowledge receipt of any violations listed for collection within five days thereof.

### ***ARTICLE II***

MCOA agrees to use its best efforts and any lawful means which in its judgment and discretion it believes will result in the collection of the debts/fines which are listed for collections.

If requested by THE MUNICIPALITY, and in its efforts to collect DEBTS, MCOA will assist THE MUNICIPALITY in managing the Local Debt Recovery Program implemented by The Illinois Office of the Comptroller (IOC). MCOA or its designated technology partner, will prepare and, if allowed to do so by the IOC, will perform the weekly upload of the “add”, “change” and “delete” files.

### ***ARTICLE III***

No fees will be payable to MCOA unless money is collected, at which time MCOA will be paid as follows:

Upon payment, MCOA shall receive thirty-five percent (35%) of the balance paid on each debt prior to any additional amount THE MUNICIPALITY may add under 65 ILCS 5/1-2-1. In the event that THE MUNICIPALITY has added a 35% collection fee per 65 ILCS 5/1-2-1 to the debt before listing it with MCOA, MCOA’s fee shall be calculated on the balance paid net of the collection fee.

Any debts that are not eligible for adding on the cost of collection under 65 ILCS 5/1-2-1 will be recovered with MCOA receiving 25% of the proceeds.

MCOA's performance of the Local Debt Recovery Program (IDROP) on behalf of THE MUNICIPALITY shall be performed at no additional cost beyond the standard commission detailed above.

#### ***ARTICLE IV***

Upon THE MUNICIPALITY'S listing of the violation for collection, MCOA shall have the exclusive right to collect the amounts owed there under until such time as it determines the debt is uncollectable or THE MUNICIPALITY requests return of the violation to THE MUNICIPALITY. Any inquiries concerning any debt listed for collections, including attempts to make payment, shall be referred at the earliest possible time to MCOA.

MCOA will deposit any money collected in THE MUNICIPALITY'S separate bank trust account established for that purpose.

After deduction of the fees allowable by this Agreement, MCOA will forward to THE MUNICIPALITY, its share of any amounts collected. Remittance to the MUNICIPALITY will be made by the 15<sup>th</sup> of the month for any amounts collected by the last day of the preceding month.

In the event that any funds are paid to THE MUNICIPALITY for violations which have been listed for collection, THE MUNICIPALITY will report such collections to MCOA daily for accounting under this Article.

#### ***ARTICLE V***

THE MUNICIPALITY hereby authorizes MCOA to accept a negotiated settlement on any violations listed for collection. However, unless otherwise authorized by the MUNICIPALITY in writing, any such settlements shall be no less than 100% of the available balance.

Should THE MUNICIPALITY make any settlement or otherwise takes any action in derogation of MCOA's exclusive right to collect on any violation listed for collection, then MCOA shall be entitled to payment in full, as delineated in Article III hereof, based on the full amount of the violation, as listed. Any such payments which may become due may be deducted from the MUNICIPALITY'S next monthly payment from MCOA.

#### ***ARTICLE VI***

MCOA agrees to indemnify and hold THE MUNICIPALITY harmless against any and all liability, costs and expenses including attorney fees, occasioned by claims or suits for loss or damages arising out of the acts of the agents, servants or employees of MCOA during the term of this Agreement. MCOA shall defend and indemnify THE MUNICIPALITY from any claim or action arising out of MCOA's performance or non-performance of its obligations under this agreement, including but not limited to any violation of the Fair Debt Collection Practice Act, any law dealing with the credit rating of any individual, and other applicable laws arising out of the acts or omissions of MCOA or its agents or employees. Conversely, THE MUNICIPALITY agrees to indemnify and hold MCOA harmless against any and all liability, costs and expenses including attorney fees, occasioned by the claims or suits for loss or damages arising out of the acts of THE MUNICIPALITY, its servants or employees.

Further, the MUNICIPALITY warrants and represents to MCOA that any debt listed for collection will be a legal and valid debt owed to the MUNICIPALITY; and in addition to the indemnities listed above, the MUNICIPALITY agrees to indemnify and hold MCOA harmless against any and all liability, costs, and expenses including attorneys' fees occasioned by claims or suits under the Federal "Fair Debt Collection Practices Act", due to the breach of these warranties and representations.



**RESOLUTION NO. R-20-01**

**A RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION OF AN AGREEMENT BETWEEN THE VILLAGE OF CAMPTON HILLS, KANE COUNTY, ILLINOIS AND MUNICIPAL COLLECTIONS OF AMERICA, INC.**

**WHEREAS**, the Village of Campton Hills, Kane County, Illinois (the "*Village*") is a duly organized and existing municipal corporation created under the provisions of the laws of the State of Illinois and under the provisions of the Illinois Municipal Code, as from time to time supplemented and amended; and

**WHEREAS**, the Village and the Municipal Collections of America, Inc. desire to execute a professional services agreement regarding Collection Services for debt collection, a copy of which is attached hereto and made a part hereof as Exhibit A (the "Agreement"); and

**WHEREAS**, the Village President and Board of Trustees of the Village of Campton Hills (the "*Corporate Authorities*") deem it advisable and in the best interest of the health, safety and welfare of the residents of the Village to enter into the Agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the President and Board of Trustees of the Village of Campton Hills, Kane County, Illinois, as follows:

**Section 1.** That the above recitals and legislative findings are found to be true and correct and are hereby incorporated herein and made a part hereof, as if fully set forth in their entirety.

**Section 2.** That the Agreement, a copy of which is attached hereto and made a part hereof as Exhibit A, is hereby approved in substantially the form presented to the Village Board and that the Village President is hereby authorized to execute the Agreement on behalf of the Village.

**Section 3.** That the officials and officers of the Village are further hereby authorized to

undertake actions on the part of the Village as contained in the Agreement to complete satisfaction of the provisions, terms or conditions stated therein

**Section 4.** If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity thereof shall not affect any other provision of this Resolution.

**Section 5.** All ordinances, resolutions, motions or orders in conflict with this Resolution are hereby repealed to the extent of such conflict.

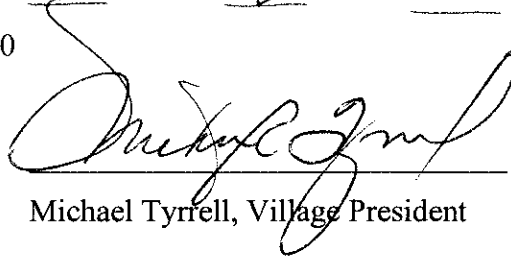
**Section 6.** This Resolution shall be in full force and effect upon its passage, approval, and publication in the manner provided by law.

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Passed this 7<sup>TH</sup> day of January, 2020, pursuant to a roll call vote as follows:

	AYES	NAYES	ABSENT	ABSTAIN
Trustee Susan P George	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Jim McKelvie	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Trustee Mike Millette	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Michael O'Dwyer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Wendy K. White Eagle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Mike Tyrrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trustee Darlene Bakk	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

APPROVED this 7<sup>TH</sup> day of January, 2020

  
Michael Tyrrell, Village President

(SEAL)

ATTEST:

  
Lynn Baez, Village Clerk

Exhibit A

*Agreement*