

AGENDA
FINANCE COMMITTEE
Village of Hoffman Estates
July 19, 2021

Immediately following Public Works & Utilities

Members: Gary Pilafas, Chairperson
Anna Newell, Vice Chairperson
Michael Gaeta, Trustee
Karen Mills, Trustee
Gary Stanton, Trustee
Karen Arnet, Trustee
William McLeod, Mayor

I. Roll Call

II. Approval of Minutes – June 28, 2021

NEW BUSINESS

1. Request approval of a temporary increase to the pay rates in the Andy Frain Agreement.
2. Request authorization to:
 - a. Enter into a Professional Services Agreement with Azavar Solutions, Inc for a municipal revenue audit; and
 - b. Enter into an Agreement with Troy & Banks, Inc. for a municipal utility and telecommunication expense audit.

REPORTS (INFORMATION ONLY)

1. Finance Department Monthly Report.
2. Information System Department Monthly Report.
3. NOW Arena Monthly Report.

III. President's Report

IV. Other

V. Items in Review

VI. Adjournment

Further details and information can be found in the agenda packet attached hereto and incorporated herein and can also be viewed online at www.hoffmanestates.org and/or in person in the Village Clerk's office.

The Village of Hoffman Estates complies with the Americans with Disabilities Act (ADA). For accessibility assistance, call the ADA Coordinator at 847/882-9100.

FINANCE COMMITTEE MEETING MINUTES

June 28, 2021

I. Roll call

Members in Attendance:

**Anna Newell, Vice Chairperson
Michael Gaeta, Trustee
Gary Stanton, Trustee
Karen Mills, Trustee
Karen Arnet, Trustee
William McLeod, Mayor**

Members Absent:

Gary Pilafas, Chair

Management Team

Members in Attendance

**Eric Palm, Village Manager
Dan O'Malley, Deputy Village Manager
Rachel Musiala, Finance Director
Art Janura, Corporation Counsel
Katbryn Cawley, Acting Police Chief
Patti Cross, Asst. Corporation Counsel
Suzanne Ostrovsky, Asst. to Village Mgr.
Monica Saavedra, Director of HHS
Fred Besenhoffer, Director of IS
Joe Nebel, Director of Public Works
Alan Wenderski, Village Engineer
Ric Signorella, Cable TV Coordinator
Alan Wenderski, Village Engineer
Dave Ganziano, Acting Deputy Fire Chief
Patrick Clarke, Fire Captain**

Management Team Members

Via Telephonic Attendance:

**Ben Gibbs, NOW Arena
Sarah Marcucci / EMA Coordinator**

The Finance Committee meeting was called to order at 7:00 p.m.

II. Approval of Minutes – May 24, 2021

Motion by Trustee Gaeta, seconded by Trustee Arnet, to approve the Finance Committee Meeting Minutes from May 24, 2021. Voice vote taken. All ayes. Motion carried.

NEW BUSINESS

- 1. Presentation of the Comprehensive Annual Financial Report for the year ended December 31, 2020.**

An item summary sheet from Rachel Musiala was presented to Committee.

- 2. Presentation of the Economic Development Area Special Tax Allocation fund Annual Financial Report for the year ended December 21, 2020.**

An item summary sheet from Rachel Musiala was presented to Committee.

- 3. Request authorization to renew the Microsoft Enterprise Licensing Agreement negotiated through DELL LLC., (Microsoft Large Account Reseller Statewide Master Contract #C000000765005) for a period of three years at a total cost of \$199,732.05 with annual payments of \$66,577.35 made in 2021, 2022 and 2023.**

An item summary sheet from Rachel Musiala was presented to Committee.

Motion by Trustee Gaeta, seconded by Trustee Mills, to renew the Microsoft Enterprise Licensing Agreement negotiated through DELL LLC., (Microsoft Large Account Reseller Statewide Master Contract #C000000765005) for a period of three years at a total cost of \$199,732.05 with annual payments of \$66,577.35 made in 2021, 2022 and 2023. Voice vote taken. All ayes. Motion carried.

REPORTS ONLY

- 1. Finance Department Monthly Report**

The Finance Department Monthly Report was received and filed.

- 2. Information System Department Monthly Report**

The Information System Department Monthly Report was received and filed.

- 3. NOW Arena Monthly Report**

Mr. Gibbs provided an update on the Arena and Windy City Bulls status.

The NOW Arena Monthly Report was received and filed.

- III. President's Report** – Mayor reported his activities from June 21 – 28. He presented a note from the Village administrator of Woodridge expressing thanks to our PW team for their mutual aid support during recent storms.

- IV. Other**
- V. Items in Review**
- VI. Adjournment**

Motion by Trustee Gaeta, seconded by Trustee Arnet, to adjourn the meeting at 7:14 p.m.
Voice vote taken. All ayes. Motion carried.

Minutes submitted by:

Jennifer Djordjevic, Director of Operations &
Outreach / Office of the Mayor and Board

Date

**COMMITTEE AGENDA ITEM
VILLAGE OF HOFFMAN ESTATES**

SUBJECT: Request approval of a temporary increase to the pay rates in the Andy Frain Agreement

MEETING DATE: July 19, 2021

COMMITTEE: Finance Committee

FROM: Mark Koplin, Owner's Representative-NOW Arena
Ben Gibbs, NOW Arena General Manager

REQUEST: Request approval of a temporary increase to the pay rates in the Andy Frain Agreement.

BACKGROUND: The Village Board approved the most recent Andy Frain contract in January 2019, to handle responsibilities for guest services, security, parking, and supervisors for all such services. This was the third agreement since the Village issued an RFP for security/guest services, and approved an initial agreement with Andy Frain with a two year term in 2011. The latest agreement runs through August 30, 2023. The agreement includes billing rates for various positions handling the above-mentioned responsibilities. The rate schedule factored in a 2% annual increase. Rates for Windy City Bulls games are at slightly reduced rates.

DISCUSSION: As the country comes out of the pandemic, many companies are desperately seeking employees to fill vacant positions. This is especially true in the hospitality and live events industry, which saw a substantial decline in business for over a year, and now is attempting to increase its labor force as business returns. Many workers are not returning to their hospitality jobs, which has created a labor shortage. The reasons behind the shortages are complex, and it is currently unclear if this issue will be persistent or only a short term problem related to unemployment benefits, availability of childcare, and COVID-related health concerns. Locally, the hourly workforce has been paid above the national minimum wage for several years. The minimum wage in Chicago is \$15.00 per hour and \$13.00 per hour in Cook County

This issue has been covered extensively in the news. Attached are two informative articles.

DISCUSSION: (Cont'd)

The first ticketed event at the NOW Arena since the pandemic will be the AEW wrestling pay-per-view on September 5, 2021, that is already sold out. During the same week, the Arena will host two televised AEW events on September 1 and 5, 2021. This will be the busiest week at the Arena since the last AEW pay-per-view, which was nearly two years ago. Andy Frain will need to fill about 120 positions for the pay-per-view alone, and another 60-80 positions for the other events. As the COVID restrictions closed the Arena starting in March 2020, the Andy Frain roster of employees working at the NOW Arena has dwindled considerably, and over 100 employees will need to be recruited, interviewed, and eventually hired to ensure a fully staffed event by September 1, 2021.

With the reality of a difficult hiring environment, Mr. Gibbs approached Andy Frain to get its insight into the labor market and devise a strategy to begin recruiting qualified candidates to meet the event needs starting in September. As Andy Frain provides similar security services at Wintrust Arena, Soldier Field, Wrigley Field, and Lollapalooza, they have first-hand knowledge of the challenging labor market. Andy Frain agreed that recruitment would be extremely difficult, and the pay rates agreed and implemented during the 2019 contract would not be sufficient to recruit competent staff. Using the minimum wage in Chicago and Cook County, along with hourly wages paid by surrounding businesses, Andy Frain suggested pay rate increases that range from 13% to 30% for the various positions.

As the labor shortage and the contributing factors are unprecedented, it is impossible to predict if the higher pay wages are the new normal or just temporary as the supply of workers will increase as the economy gradually returns to normal post-COVID. As such, we are suggesting the Andy Frain contracted billable wages increase from September 1, 2021 to December 31, 2021 only, and return to the originally contracted wages, per the 2019 contract, starting on January 1, 2022.

During this time, the Arena and Andy Frain will have more time to assess the labor market and determine if a long term wage increase is necessary for 2022 and beyond. While the increase in wages will be implemented for any new staff hired from September 1, 2021 to December 31, 2021, and applied to existing Andy Frain staff, these employees will maintain the increased wage for the duration of their work at NOW Arena, but new staff hired after January 1, 2022, will be hired at the lower original contracted rate (assuming a lower pay wage is deemed effective in the future). For this reason, there will be a permanent effect on a portion of the Andy Frain staff for the duration of the contract (through August 30, 2023).

There is no guarantee that the increased pay rates will be enough to attract hourly employees, but it is important to offer competitive rates to give the Arena a fair chance at finding good people.

FINANCIAL IMPACT:

The increase in rates will result in higher expenses and detract from the bottom line. In the long run, promoters can be charged a higher rental fee or customers could incur a higher parking or ticket fees to offset the increase. However, in the short run, we do not think it is appropriate to increase fees upon reopening after the pandemic as this could hurt our ability to bring promoters and customers back to the venue. We would like to wait a few months and assess which fees are most appropriate based on how the industry is recovering from the shutdown.

FINANCIAL IMPACT: (Cont'd)

It is difficult to determine the actual financial impact as we do not know for sure what events the NOW Arena will host in the next 7-8 months and how many staff will be needed for each event. We project that the increased rates will increase the costs for a small event by \$1,000, a medium event by \$2,500, and a large event by \$5,000.

RECOMMENDATION:

Request approval of a temporary increase to the pay rates in the Andy Frain Agreement.

Attachments

Pro stadiums reopen: Less staff and long lines, but more tickets, fans



Professional sports teams are scrambling to find workers to work at ballparks and arenas.

While the Milwaukee Bucks tried to slow down Brooklyn Nets scoring machine Kevin Durant in the NBA playoffs, the Bucks' chief human capital officer, Kelly Kauffman, had a different but equally huge challenge: finding enough people to staff home games at Fiserv Forum.

Numerous pandemic-stemming factors left the U.S. economy this month at 8.2 million jobs below peak pre-COVID employment numbers, and the sports industry hasn't been spared from the vast amount of openings. As fast as the industry shut down last March, the restart this spring has been almost as quick, again leaving teams, venues and third-party labor providers fighting to keep up.

"We weren't able to get everyone back immediately," said Kauffman. "Having to turn the faucet off and then on and staff up quickly has been a struggle."

For one game, according to Sports Business Journal research, the average Major League Baseball venue would need about 500 workers to fill usher, ticket-taker, box office and parking roles, another hundred in security and around 600 to staff concessions and retail.

Venues and operators remain fairly optimistic that increased pay rates, incentives and wider recruiting will eventually solve the worker shortage.

Kauffman said that pay isn't really the issue for the Bucks; it's a lack of available candidates.

"We are just scrambling," she said. "The volume is enormous."

The problem

Spectra Venue Management, which operates about 150 large venues, including stadiums and arenas, sent a survey to its managers a month ago querying them about their workforce situations. Mike Scanlon, Spectra senior vice president of arenas and stadiums, said the responses were scattershot, with some venues expecting only 25% of their part-time workers to return, and others expecting 90%. Scanlon said that Spectra usually returns 70%-75% of its collective part-time workforce annually, but this year is expecting between 50% and 60% to return.

ASM Global Executive Vice President Doug Thornton told SBJ that roughly 25 of the company's 90 venue accounts lost at least 50% of their full-time employees during the pandemic. The workforce shortage is especially exacerbated in markets with considerable tourism industries, like Las Vegas, Orlando and New Orleans, where ASM Global runs the Mercedes-Benz Superdome. In those cities, competition for skilled workers like line cooks or production techs has been immense. With sports venues closed to fans, some skilled hourly workers found new jobs.

Stimulus checks from the federal government and wage increases at companies such as Amazon, McDonald's and Target have also cranked up the competition for part-time workers.

The workforce shortage's impact is felt more acutely in sports venue food and beverage operations, which directly affect revenue; shortages in other areas can be temporarily papered over. Community volunteerism to staff concession booths for charity has also plummeted, a serious challenge for concessionaires.

"Paying someone \$10 an hour is no longer going to be feasible or acceptable," said Show Pros President Todd Stewart. "These people have moved on to other things. They don't need us like we need them now."

But it's not all about money. Many part-time workers simply don't feel comfortable returning to sports venues yet, said Best Crowd Management Vice President Jeff Spoerndle, especially those that are older or have pre-existing conditions. Many of Best's 25,000 part-time workers have separate full-time jobs and don't need the money from a part-time gig that involves large crowds.

“I think the majority will come back,” said Spectra’s Scanlon, “they’re just waiting and seeing as things get back to normal.”

Fast pace of reopening

Very simply, the speed of reopening in states has outrun part-time employees’ desire to return to live sports work. The speed of vaccination contributed as states steadily relaxed restrictions the past few months. Thornton said he expects 85% to 90% of ASM Global’s buildings to be fully operational by fall.

Outgoing Golden State Warriors president and COO Rick Welts said the short timeline to staff up for fans returning to the Chase Center was challenging. The building is an all-union facility, and the team had to offer the same jobs back to everyone who had left. Many people chose not to return.

“It was time consuming, and a great many did not come back,” Welts said.

Several clubs told SBJ that MLB reopening protocols did not address concessions hawkers/barkers, leaving that decision up to the clubs. The Texas Rangers started using vendors again on Memorial Day and currently have 50 working at Globe Life Field selling beverages and snacks, though no hot dogs yet.

Third-party vendors were even farther down the decision-making line, giving them even less time to react when venues were granted capacity increases.

“We have to take direction from our clients, and they were taking the lead from their leagues and governmental entities in their jurisdictions and that created a delay, too,” said Spoerndle.

What is being done?

The entire industry is looking at raising part-timers’ wages, potentially 15% to 25% for ASM Global, which will also offer premiums for those working events with crowds greater than 35,000 fans. Concessionaires and venue management companies have created bonus programs for part-timers, and Spectra is cross-training employees so they can work two different part-time roles during one game if they want, earning more money.

Spoerndle said that Best’s recruiting spending has risen 45% to 50%, while numerous teams and venues have turned to temp agencies for hiring help. Spectra is also communicating more proactively with labor providers like CSC Security and Jani-King, Scanlon said, to anticipate any looming workforce shortages. Sports industry job fairs are almost as numerous as games now.

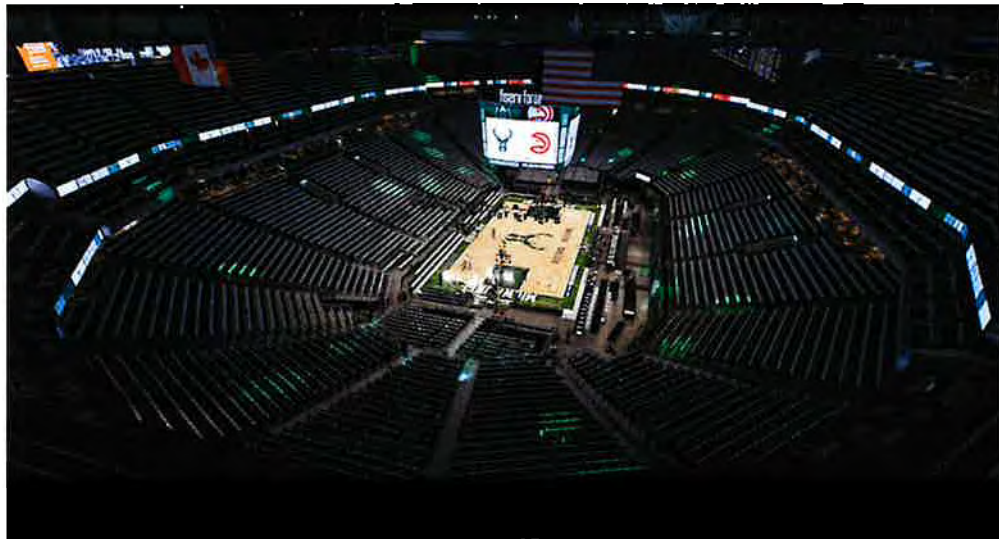
“Everybody is ramping up big time for the fall season, so luckily we have three months to prepare for that,” said Spoerndle. “But if anything, it’s caused everybody to take a hard look at their operation and to determine what can be done to staff the critical positions at their venue.”

That could include everything from re-examining how far event staff park from a venue, or the quality of food and drink available to them.

“We always talk about customer experience, well, we’re having to look at our employee experience,” said Superdome GM Zane Collings. “Those types of things are all being taken into account moving forward.”

Bucks call for non-profit employees to volunteer as concession workers in return for donations, take criticism

The Bucks' approach to a shortage of concession workers willing to work at the current rates of pay is to call for volunteers instead, and reward those volunteers' non-profit organizations with a percentage of donations.



There have been plenty of stories nationally in recent months about labor shortages, especially in the restaurant and hospitality industries, with many businesses claiming “no one wants to work” and many critics claiming businesses aren’t offering enough compensation for those jobs. This has now impacted sports in an interesting way, with the Milwaukee Bucks putting out a call earlier this week for non-profit employees to volunteer at their concessions at Fiserv Forum during playoff games (including Wednesday’s Game 1 of the Eastern Conference Finals against the Atlanta Hawks; a pre-game shot is seen above). That drew more attention Wednesday when it was critically quote-tweeted by Dan Price:

The Milwaukee Bucks, owned by billionaires, are worth \$1.63 billion. It brings in \$240 million a year in revenue.

The Bucks' arena is looking for volunteers to sell concessions during playoff games at a pay rate of \$0/hour <https://t.co/f2TePq5J7A>

— Dan Price (@DanPriceSeattle) [June 23, 2021](#)

Price is the CEO of online credit-card processing company Gravity Payments, and he's notable for cutting his own pay to \$70,000 a year in 2015 while raising all other employees' pay to at least that level over three years. He's written a book about that and done plenty of media appearances about it, and all of that (and his history of using Twitter to criticize CEO compensation and poor entry-level pay) is important context here.

It's also worth noting that while Price's "at a pay rate of \$0 an hour" remark is correct, this program (as per the linked CBS 58 story) has officials saying "a percentage of sales at the specifically-worked concessions stands will be donated to the not-for-profit." So while the compensation for the individual workers is in fact \$0, this does come with some money for their organizations. That percentage has not been revealed, though, and whether this has much value for those organizations obviously depends on how significant that percentage is. And that doesn't take away from the strangeness of this decision; it's certainly not common to see a professional sports team asking for volunteers to man the concessions, even with a percentage going to their organizations.

Why is the team going this route? Well, there are some quotes on that from Bucks' VP Michael Belot in a *Milwaukee Journal-Sentinel* article from Ricardo Torres, published Monday. That article also includes that they did this during the previous series against the Brooklyn Nets. Here's more from that:

The Milwaukee Bucks are asking for the help staffing the stands in exchange for a percentage of the sales. The labor shortage has affected the service industry particularly hard.

Michael Belot, senior vice president of Bucks ventures and development, said the organization made a similar call during the series against the Brooklyn Nets.

"We're just in need of staff and in need of good, hardworking people," Belot said. "And a great way to do that is to engage not-for-profits and give back to a good cause and also get the labor that we need to operate at a high level."

Belot said the Bucks and food concessionaire Levy have been hiring workers throughout the playoffs.

"Staffing has been a challenge across the hospitality industry as a whole," Belot said. "We're trying to do whatever we can to get the appropriate number so we can deliver a high experience or quality experience."

Of course, staffing would be less of a challenge if employers offered higher wages for those positions. There are challenges beyond that, including the more than 600,000 COVID-19 deaths in the U.S. (with that disease hitting service-industry workers particularly hard), but the wages being offered for these jobs are a big part of why they're not being filled. And it is interesting that the Bucks and Levy have chosen a more convoluted response than just "Let's raise the wages we're hiring at."

Now, in this case, that may be complicated by contracts. It seems likely that it's Levy paying the employees rather than the Bucks, and it seems probable that Levy's own contract with the Bucks is at a certain rate. If that's a multi-year deal, there would be challenges in boosting what they're paying their employees without gaining any more revenue. And once pay gets raised, it's very difficult to lower it again or hire new people at a lower wage, which is why many businesses seem to be betting on waiting and hoping people will take jobs at the old rates eventually (and lobbying legislatures to reduce or end unemployment benefits to try and push people back into work) rather than just raising their wages. And this approach from Levy and the Bucks certainly seems to be betting on that, and betting on filling the gap with these volunteers in the meantime.

The Levy-Bucks situation is an interesting specific case of the wider economic issue, as a sports team during a playoff run can't just say "Sorry, our concessions are closed because people don't want to work (for what we're willing to pay)." The team needs to have those concessions staffed in order to keep their fans happy. Now, that doesn't mean they had to go this route; the Bucks absolutely could have put pressure on Levy to raise their wages to attract more people, and/or offered to adjust their contract with Levy to make those higher wages possible for that company. Instead, they chose this approach of outsourcing this work to non-profit employees.

There are some pro and cons to that approach for the Bucks. If enough people take them up on this offer, then their concessions are staffed, and if those people do a decent enough job (it should be noted that food service work is not as easy as many people assume), then they avoid setting a precedent of paying more for concession work. Maybe that saves them and/or Levy some money down the line.

But there are a whole lot of potential downsides to this decision, including that makes the team now the face of this issue, and subject to the criticism this approach is getting. Notice that Price and other critics are referencing the Bucks' value, not Levy's. If the team hadn't stepped in, this would have been seen as one facet of an ongoing wide service industry issue, one involving a concession company most sports fans don't particularly know. Now the Bucks are taking a clear stance on this issue, and their stance is that they would rather have volunteers running the concessions than pay enough to attract more people to those jobs. And that's definitely going to lead to further backlash.

[*The Milwaukee Journal-Sentinel*; photo from Jeff Hanisch/USA Today Sports]



TO: Andy Frain Services, INC.
FROM: Ben Gibbs, General Manager
Mark Koplín, Owner's Representative
DATE: July 19, 2021
RE: Amendment regarding Pay Rates for New and Existing Employees
between September 1, 2021 - December 31, 2021

This amendment ("Amendment") is made by and between Village of Hoffman Estates as the Owner of the NOW Arena ("the Village") and Andy Frain Services, INC. ("Contractor"), collectively ("the Parties"):

WHEREAS, the Parties have entered into that certain Memorandum of Agreement - Village of Hoffman Estates dated January 3, 2019 (the "Existing Agreement"), in respect of an agreement to provide security and parking services; and

WHEREAS, the Parties desire to modify the terms relating to the pay wages for new and existing employees working events between September 1, 2021 and December 31, 2021.

NOW THEREFORE, the Parties agree as follows:

1. Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement. All references in the Existing Agreement or any other document to "the Agreement" or otherwise to the Existing Agreement shall mean the Existing Agreement as amended hereby.
2. Appendix B of the Existing Agreement shall have an additional staffing rate for any new staff hired and existing staff employed during the period between July 21, 2021 and December 31, 2021. Andy Frain Services, INC. staff hired or currently employed and working at the NOW Arena during this period will be in accordance with the pay rates below for the duration of the Existing Agreement's Term (August 30, 2023). Any employees hired after December 31, 2021, will be paid in accordance with the Existing Agreement pay rates:

NOW Arena Staffing Rates Hired between 9/1/2021 and 12/31/21			
Position	Pay Rates (9/1/2021 - 12/31/21)	Bill Rates 2021 9/1/21 - 8/30/22	Bill Rates 2022 9/1/22 - 8/30/23
Event Contract Manager	Salary	\$35.00	\$35.72
Event Parking Manager	\$17.00	\$34.00	\$34.70
Guest Services Supervisor	\$15.00	\$22.05	\$22.50
Security Supervisors	\$16.00	\$23.52	\$24.00
Parking Supervisors	\$16.00	\$23.52	\$24.00
Security Officers	\$15.00	\$22.05	\$22.50
Guest Services / Event Staff	\$14.00	\$20.58	\$21.00
Parking Cashiers	\$14.50	\$21.32	\$21.75
Parking Auditors	\$16.00	\$23.52	\$24.00
Parking Directors	\$14.00	\$20.58	\$21.00
Basketball Only			
Position	Pay Rates (7/1/2021)	Bill Rates 2021 7/1/21 - 8/30/22	Bill Rates 2022 9/1/22 - 8/30/23
NO CHANGE TO RATES			

Contractor:
Andy Frain Services, INC.

Licenser:
Village of Hoffman Estates
By its agent Global Spectrum

By: <i>David Clayton</i>	By:
Name: <i>David N Clayton</i>	Name:
Title: <i>President</i>	Title: Village President
Date: <i>7/15/21</i>	Date:

Sears Centre--Village of Hoffman Estates--(Global Spectrum, as Agent)

MEMORANDUM OF AGREEMENT
Between
THE VILLAGE OF HOFFMAN ESTATES (Global Spectrum, as agent)
And ANDY FRAIN SERVICES, INC.

This agreement is by and between The Village of Hoffman Estates ("the Village"), an Illinois Home Rule municipal corporation and Andy Frain Services, Inc., an Illinois corporation ("Contractor").

WHEREAS, the Village of Hoffman Estates is the owner of a multi-sports and entertainment facility in the Village of Hoffman Estates located at 5333 Prairie Stone Parkway, Hoffman Estates, Illinois 60192 known as the Sears Centre Arena ("the Arena");

WHEREAS, Global Spectrum, L.P. ("the Operator") is the Operator of the Arena and is only executing this Agreement on behalf of the Village of Hoffman Estates and is not responsible for or guaranteeing any performance under the terms of this Agreement;

WHEREAS, the Village has the power and authority to license the use of the Arena to others for the purpose of holding and presenting certain events;

WHEREAS, Contractor's principal offices are located at 761 Shoreline Drive, Aurora, Illinois 60504.

1. **Provision of Services.** Contractor shall serve as an independent Contractor to furnish uniformed event staff, security, and parking staff for the events held at the Arena "Arena Events". Contractor shall furnish the Village with a sufficient number of Contractor's employees ("service personnel") to perform Credential Verification, Access Control, Parking Services, Ushering (when required) and Site Security at designated locations providing coverage as required by the Village.
2. **Term of Agreement.** This Agreement shall be effective 09/01/2018 and shall remain in force through 08/30/23 ("Term").
3. **Payment Terms.**
 - A. The Village shall pay Contractor for services at the rates set forth in Appendices B and C. These rates shall remain in effect for the term of the Agreement unless the rates are directly impacted by a change in labor or employment laws, regulations, rulings or other mandate having appropriate jurisdiction which alter or directly impact the hours of service worked by contractor personnel, rates of pay of contractor personnel, working conditions or other labor related costs associated with contractor personnel performing the services provided.
 - B. The Village agrees that this Agreement will be subject to renegotiation in the event of such changes referenced in Paragraph 3(A). In the event the parties, after good faith negotiations, are unable to re-negotiate the terms of this Agreement in the

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Sears Centre--Village of Hoffman Estates--(Global Spectrum, as Agent)

- event of a change in law referenced in Paragraph 3(A), either party may terminate this Agreement upon sixty (60) days written notice.
- C. The Contractor will invoice the Village after each Arena Event. Invoices shall be paid thirty-days after the receipt of the invoice. Any objection, dispute or claim regarding the amount of an invoice or the underlying services rendered must be sent in writing by the Village to Contractor with ninety (90) days from the invoice date, setting forth the nature of the objection, dispute or claim, and including all supporting documentation, or it shall for all purposes be deemed waived by the Village and the work completed deemed accepted by the Village.
 - D. Invoices should be sent to: Global Spectrum, L.P., Sears Centre Arena, 5333 Prairie Stone Parkway, Hoffman Estates, IL 60192 within four business days.
 - E. Any payment for undisputed invoices after forty-five (45) days of receipt is subject to a one half percent (.50%) per month late fee.
4. Licenses and Permits. Contractor shall secure and maintain at its expense prior to commencement of the Term, all licenses, permits and approvals under any applicable law that may be required in connection with the provision of Contractor's services at the Arena.
5. Legal Compliance. Contractor shall fully abide by, conform to and comply with, and shall cause every person under its direction or control who is connected with the performance of any aspect of this Agreement to fully abide by, conform to and comply with all applicable laws, rules, regulations and ordinances of the United States of America, the State of Illinois, Cook County, the Village of Hoffman Estates, and their respective agencies, as well as all rules and regulations of Global Spectrum, L.P. for the use, occupancy and operation of the Arena.
6. Rules. The Village reserves the right, exercisable from time to time as determined by the Village, to promulgate, establish, rescind and modify reasonable rules and regulations concerning the Arena and related services, personnel, equipment, materials and appurtenances and the placing of furniture, fixtures, equipment and other property there at by uses of the Arena including, without limitation, the Contractor, provided that such rules and regulations shall not be materially inconsistent with the rights granted to Contractor pursuant to this Agreement.
7. Return of Premises. Contractor agrees not to perform any act during the Term of this Agreement which shall mar, deface or injure any part of the Arena. Contractor agrees to pay the cost of repairing or replacing any and all damage to any equipment or other property owned by the Village and to pay the actual cost of repairing or replacing any and all damage to the Arena which results from a wrongful or negligent act or omission of an employee, agent or independent contractor of Contractor.
8. The Village Control. In entering this Agreement with Contractor, it is understood that the Village does not relinquish the right to control the management of the Arena and to

Sears Centre--Village of Hoffman Estates--(Global Spectrum, as Agent)

enforce all necessary rules and regulations. The decision of the Village's representative as to the number of persons that can safely and freely move about in the Arena and the location and number of security and event staff shall be final.

9. **Contract Documents and Modifications.**
- A. This agreement, along with the documents identified below and referenced appendices together constitute the entire Agreement between the parties, and there are no other or further written or oral understandings or agreements with respect thereto.
- i) Contractor's Proposal dated on this Agreement
 - ii) Appendices A, B, C, D, E and F (Standard Terms and Conditions, Rates, Insurance, Scope of Work).
 - iii) In the event of a conflict among the Agreement and the Contractor's Proposal, the terms and conditions of the Agreement shall control.
 - iv) No variation or modification of this Agreement and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of Contractor and The Village. This Agreement supersedes all other agreements between the parties.
- B. It has been agreed that the Andy Frain Services will provide one Performance Bond in the amount of \$20,000.00, which will fulfill any requirements by the Village for a Performance Bond under both work sections (i.e., Security/Crowd Control and Parking) upon an uncured breach of this Agreement by Contractor.
- C. It is further agreed that no Patronage Agreement will be required.
10. **No Third Party Beneficiaries.** Any agreement to pay an amount and any assumption of liability herein contained, expressed or implied, shall be only for the benefit of the undersigned parties and their respective successors and permitted assigns (as herein expressly permitted), and such agreements and assumptions shall not inure to the benefit of the obligee or any other party whomsoever (except for the Indemnitees), it being the intention of the undersigned that (except with respect to the Indemnitees), no other party shall be or be deemed to be a third party beneficiary of this Agreement.
11. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original but together shall constitute one and the same instrument
12. **Power and Authority.** Contractor represents and warrants to the Village that it has the full right, power and authority to enter into and perform this Agreement, and that the person whose signature appears below is duly authorized to execute and deliver this Agreement on behalf of Contractor.
13. **Agent of The Village.** Contractor acknowledges that the Village of Hoffman Estates is the owner of the Arena, and Global Spectrum L.P. is a disclosed agent of the Village solely for

Sears Centre—Village of Hoffman Estates--(Global Spectrum, as Agent)

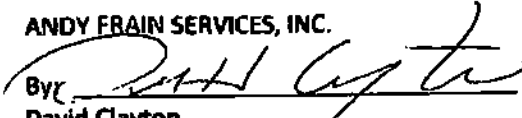
the purpose of signing this Agreement at the direction and on behalf of the Village of Hoffman Estates and the Arena and for the operation of the Arena, and further, that Global Spectrum L.P. is not responsible or obligated for or guaranteeing the performance or payment obligations of the Village pursuant to this Agreement, and Contractor hereby covenants not to sue, releases, and waives any such claims against Global Spectrum, L.P., and its members, managers, officers, directors, agents and employees.

14. The Village Contact Manager and Contractor Account Executive.
The Village hereby designates Ben Gibbs of Global Spectrum as Contract Manager to serve as the principal contact and manager of this Agreement and Contractor hereby assigns David Clayton as Account Executive to service The Village's contractual requirements to this Agreement. Mike Daclolas will serve as the manager/contact for operational issues. The Account Executive and/or manager will maintain contact with the Village's Contract Manager on a mutually agreed basis, to provide customer service and to review service requirements.

SEARS CENTRE – VILLAGE OF HOFFMAN ESTATES – (GLOBAL SPECTRUM, as Agent)

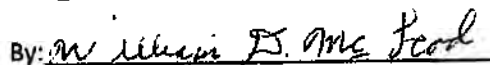
WHEREFORE, on the day noted below and in the witness of, The Village of Hoffman Estates with Global Spectrum L.P. as agent and Andy Frain Services have caused this Agreement to be executed by their respective, duly authorized representatives, each of whom by signing below personally represents and guarantees the authority to sign for the party indicated.

ANDY FRAIN SERVICES, INC.

By: 
David Clayton
Title: President
Date: 1/3/19

Sears Centre

Village of Hoffman Estates, Illinois

By: 
William D. McLeod
Title: Village President
Date: 1-8-2019



Ben Gibbs



Sears Centre-Village of Hoffman Estates (Global Spectrum, as Agent)

APPENDIX A STANDARD TERMS AND CONDITIONS

This Appendix A is incorporated by reference in to the Agreement ("Agreement") entered by and between Village of Hoffman Estates, through its agent, Global Spectrum L.P. ("the Village"), with its offices at 5333 Prairie Stone Parkway, Hoffman Estates, IL 60192 and Andy Frain Services, Inc. ("Contractor") with its principal offices at 761 Shoreline Drive, Aurora, Illinois 60504 (collectively, "Parties"), and this Appendix A identifies the agreed upon terms and conditions, as follows:

1. Applicable Law

The Agreement shall be governed by the laws of the State of Illinois, and Contractor shall at all times comply with and observe all federal, state and local laws, ordinances, and regulations which are in effect during the period of this Agreement and which in any manner may affect the work or its conduct.

2. Agreement Assignment

No right or duty in whole or in part of the Contractor under this Agreement may be assigned or delegated, including by transfer of stock or ownership in Contractor, without the prior written consent of the Village

3. Conflict of Interests

Private and non-profit corporations are bound by state statute regarding conflicts of interest by employees in the conduct of state agreements.

4. Agreement Termination

4.1 Termination by Contractor for Cause

Should the Village breach any material terms or provisions of the Agreement, Contractor shall promptly serve the Village with written notice setting forth the alleged breach. Unless the Village, within ten (10) business days of the receipt of the notice, has corrected or has taken reasonable steps toward correcting the alleged breach, Contractor party may terminate the Agreement by giving thirty (30) days written notice to the Village of its intention to terminate this Agreement. Contractor shall provide written notice of termination to the Village by certified letter.

4.2 Termination by the Village for any Reason

The Village may terminate this Agreement for any reason at its sole discretion with or without cause by providing a 30 day notification to Contractor. The Village shall provide written notice of termination to Contractor by certified letter.

4.3 Payment Upon Termination

In the event that this Agreement is terminated pursuant to either Paragraph 4.1 or 4.2, the Village shall, within thirty (30) days of the termination, pay Contractor for approved and/or undisputed fees and expenses for services rendered through the termination date and shall have no further financial obligation to Contractor.

Sears Centre-Village of Hoffman Estates (Global Spectrum, as Agent)

5. Notices

With the exception of notice of termination, which must be made by certified mail, any written notice called for in this Agreement may be given by personal delivery, first class mail, overnight delivery service or facsimile transmission. Notices given by personal delivery will be effective on delivery; by overnight service, on the next business day; by first class mail, five business days after mailing; and by facsimile, when an answer back is received. Notices shall be sent to:

The Village:	Contractor
Ben Gibbs	David Clayton
5333 Prairie Stone Parkway, Hoffman Estates, IL 60192	761 Shoreline Drive Aurora, IL 60504
ben.gibbs@searscentre.com	DClayton@andyfrain.com
Phone: 847-649-2201	Phone: 630-820-3820
Fax: 847-649-2494	Fax: 630-820-3819

6. Non-Discrimination

In connection with the performance of work under this Agreement, the Contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, sexual orientation, or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation. Contractor further agrees that employees and agents, while on the Village's premises, shall comply with and observe all applicable rules and regulations concerning conduct on premises, which are imposed upon employees and agents.

7. Excused Performance

If, because of riots, war, public emergency or calamity, fire, flood, earthquake, acts of God, government restriction, business operations at the Arena are interrupted or stopped, the performance of this Agreement, with the exception of money already due and owing, shall be suspended and excused to the extent commensurate with such interfacing occurrence. The expiration date of this Agreement may be extended, by mutual written consent, for a period of time equal to the time that such default in performance is excused.

8. Independent Contractor Relationship

It is mutually understood and agreed that an independent contractor relationship is hereby established and that employees of the Contractor are not employees of the Village and that employees of the Village are not employees of the Contractor. Under no circumstances shall this agreement be considered a contract of partnership or joint

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Sears Centre-Village of Hoffman Estates (Global Spectrum, as Agent)

venture. Neither party shall be liable for any of the debts, accounts, obligations or other liabilities of the other party, its agents or employees, and neither party shall have any authority to obligate or bind the other party in any manner except as may be expressly provided herein. Further, no agent, servant or employee of Contractor or any of its subcontractors shall under any circumstances be deemed an agent, servant or employee of the Village.

9. Severability

If any provision of this Agreement or its application to any party or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of its provisions to other parties or circumstances shall not be affected and shall be enforced to the extent permitted by law.

10. No Waiver

The failure of the Village to insist in any one or more instances upon the performance of any one or more of the provisions of this Agreement or to pursue any rights here under shall not be construed as a waiver of any such provisions or the relinquishment of any such rights.

11. Endorsement

Unless specifically authorized in writing by the Village Purchasing Department on a case by case basis, Contractor shall have no right to use, and shall not use, the name of the Village, its officials or employees, or the seal or marks of the Village in advertising or promotion; nor to express or imply any endorsement of Contractor's supplies or services.

12. Non-Performance

In the event that Contractor fails to provide services as requested under the terms and provisions of this Agreement and Contractor has failed to cure such non-performance of service within a reasonable period of time prior to the Event as solely determined by the Village, the Contractor shall reimburse the Village for any additional expense incurred by the Village to have the work completed by a third party over and above what the Village would have been required to pay Contractor had Contractor not failed to complete the work. If the Village terminates this Agreement without cause, subsequent to the Village's termination of this Agreement, Andy Frain shall not be liable to the Village for any additional expense incurred by the Village to have the work completed by a third party.

13. Funding

The Village represents that, as of the date of this transaction, funds significant to pay immediate financial obligations under this Agreement have been allocated and are available. This representation is a material inducement to Contractor in entering the Agreement.

14. Force Majeure

Sears Centre-Village of Hoffman Estates (Global Spectrum, as Agent)

Neither party shall be considered in breach of this Agreement for failure to perform if such failure is caused by national or local calamity, acts of terrorism, the act or regulation of any public authority, labor difficulty or strike, war, epidemic, fire, storm, inclement weather or other act of God, or any other cause beyond the reasonable control of the non-performing party that renders that party's performance impossible.

15. Key Person Clause

David Clayton is a key person to the success of the Agreement and, as such, essential to the Agreement. Therefore, substitution of another key person for the Contractor shall not be permitted without express written permission from the Village.

16. Contractor's Employees

During the term of this Agreement and for a period of 12 months following the end of this Agreement, the Village may not hire any of Contractor's supervisors/managers directly, without the prior written consent of Contractor. Any successive vendor however may hire Contractor's employees, should this Agreement terminate.

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Sears Centre – Village of Hoffman Estates – (Global Spectrum, as Agent)

**APPENDIX B
RATES – PARKING/SECURITY/USHERS/Guest Services**

This Appendix B is incorporated by reference in to the Agreement ("Agreement") entered by and between Sears Centre Arena and the Village of Hoffman Estates, through their agent, Global Spectrum (collectively "Client"), with its offices at 5333 Prairie Stone Parkway, Hoffman Estates, IL 60192 and Andy Frain Services, Inc. ("Contractor") with its principal offices at 761 Shoreline Drive, Aurora, Illinois 60504, and this Appendix B identifies the agreed upon rates to be charged by Contractor for certain services provided under the Agreement, as follows:

The Parties agree that Contractor shall furnish Client with the following service personnel at the following rates, and subject to the terms and conditions of the Agreement. The service personnel shall provide Services in accordance with the Scope of Work and the Post Orders, if any. The Parties also agree that the following provisions of service personnel may be amended or modified by the request of Client as provided in the Agreement's Scope of Work, and that the service personnel shall provide Services as more fully described in the Agreement's Scope of Services.

Sears Centre Staffing Rates 9/1/18

Positions	Pay Rates (9/1/18)	Bill Rates 2018	Bill Rates 2019	Bill Rates 2020	Bill Rates 2021	Bill Rates 2022
		9/1/18-8/31/19	9/1/19-8/31/20	9/1/20-8/31/21	9/1/21-8/31/22	9/1/22-8/31/23
Event Contract Manager	Salary	\$ 30.50	\$ 31.75	\$ 31.75	\$ 31.75	\$ 31.75
Event Parking Manager	\$ 15.00	\$ 28.50	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Guest Services Supervisor	\$ 12.50	\$ 18.66	\$ 18.09	\$ 19.41	\$ 19.80	\$ 20.19
Security Supervisors	\$ 12.50	\$ 18.66	\$ 18.09	\$ 19.41	\$ 19.80	\$ 20.19
Parking Supervisors	\$ 12.50	\$ 18.66	\$ 18.09	\$ 19.41	\$ 19.80	\$ 20.19
Security Officers	\$ 11.50	\$ 17.16	\$ 17.51	\$ 17.86	\$ 18.21	\$ 18.58
Guest Services/Event Staff	\$ 11.50	\$ 17.16	\$ 17.51	\$ 17.86	\$ 18.21	\$ 18.58
Parking Cashiers	\$ 12.00	\$ 17.91	\$ 18.27	\$ 18.63	\$ 19.01	\$ 19.39
Parking Directors	\$ 11.50	\$ 17.16	\$ 17.51	\$ 17.86	\$ 18.21	\$ 18.58

Basketball Only	Pay Rates (9/1/18)	Bill Rates 2018	Bill Rates 2019	Bill Rates 2020	Bill Rates 2021	Bill Rates 2022
		9/1/18-8/31/19	9/1/19-8/31/20	9/1/20-8/31/21	9/1/21-8/31/22	9/1/22-8/31/23
Event Contract Manager	Salary	\$ 30.50	\$ 30.50	\$ 31.75	\$ 31.75	\$ 31.75
Event Parking Manager	\$ 19.00	\$ 28.50	\$ 28.50	\$ 30.00	\$ 30.00	\$ 30.00
Guest Services Supervisor	\$ 12.50	\$ 17.86	\$ 17.86	\$ 18.58	\$ 19.33	\$ 19.33
Security Supervisors	\$ 12.50	\$ 17.86	\$ 17.86	\$ 18.58	\$ 19.33	\$ 19.33
Parking Supervisors	\$ 12.50	\$ 17.86	\$ 17.86	\$ 18.58	\$ 19.33	\$ 19.33
Security Officers	\$ 11.50	\$ 16.43	\$ 16.43	\$ 17.09	\$ 17.43	\$ 17.78
Guest Services/Event Staff	\$ 11.50	\$ 16.43	\$ 16.43	\$ 17.09	\$ 17.43	\$ 17.78
Parking Cashiers	\$ 12.00	\$ 17.14	\$ 17.34	\$ 17.64	\$ 18.19	\$ 18.56
Parking Directors	\$ 11.50	\$ 16.43	\$ 16.43	\$ 17.09	\$ 17.43	\$ 17.78

9 Holidays @ Time + 1/2 (if worked)
 Initial Officer Screening Training @ 4 hours x 70% hourly bill rates
 Annual attendance bonus \$ TBD

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APPENDIX C SCOPE OF WORK AND ADDITIONAL TERMS AND CONDITIONS PERTAINING TO SECURITY SERVICES/CROWD CONTROL/RELATED SERVICES

This Appendix C is incorporated by reference in to the Agreement ("Agreement") entered by and between the Village of Hoffman Estates, through its agent, Global Spectrum L.P. (collectively "the Village"), with its offices at 5333 Prairie Stone Parkway, Hoffman Estates, IL 60192 and Andy Frain Services, Inc. ("Contractor") with its principal offices at 761 Shoreline Drive, Aurora, Illinois 60504, and this Appendix C identifies the agreed upon Scope of Work and the Additional Terms and Conditions for certain security, crowd control and event services contemplated by this Agreement, as follows:

1. *Services.* Pursuant to the Agreement, Contractor shall furnish all services (including, without limitation, providing personnel ("Service Personnel")) as requested by the Village to maintain security ("Security Services") and certain event staffing ("Event Services") at Arena Events in accordance with the term and conditions of this Agreement (collectively known hereinafter as the "Services" unless specifically identified otherwise). The following Services which have been requested by the Village and which Contractor agrees to furnish pursuant to this Agreement are more fully described, as follows:

a) Contractor shall provide crowd control, guest services, ushers and certain security services at Arena Events held from time to time as requested by the Village. The Contractor's service personnel will be assigned by the Village to specific posts and provided post orders ("Post Orders") as detailed and provided by the Village. The Village specifically reserves the right to reassign as needed any Service Personnel to other functions and posts as the Village in its sole discretion may deem necessary.

If at any time Contractor believes that personnel or services in excess of those expressly requested by the Village and described in this Agreement are necessary to properly furnish Services at the Property, Contractor may so inform the Village. However, the Parties agree that Contractor's responsibility is solely limited to providing Services, and that Contractor has not been engaged by the Village as a consultant or otherwise to provide advice or an assessment of security or event staffing needs at the Property, except as otherwise specifically identified herein. Contractor shall not be responsible for any decisions or security assessments made by the Village or anyone else, including pertaining to the sufficiency and placement of staffing.

The Parties agree that any change in the Scope of Work contemplated by this Agreement, including any modification, supplementation or reduction in Services or service personnel, shall be made by a request in writing by the Village and, if such changes or modifications are accepted by Contractor, shall be agreed upon in writing signed by the Village and Contractor.

b) The Village shall retain sole responsibility and control of the reserved parking areas.

Sears Centre-Village of Hoffman Estates-(Global Spectrum, as Agent)

c)

d) Contractor's ushers will help with bowl cleans in-between kid's shows and theater shows on days when there are multiple shows scheduled for one day.

e) Quarterly meetings between Contractor's Supervisors and/or Managers and the Village will take place at the Arena, as well as weekly conference calls explaining upcoming events.

f) Based on the information, documents and direction provided to Contractor by the Village, Contractor shall prepare an Operating Manual with Event Security and Usher policies and procedures for Village approval. Contractor acknowledges that the aforementioned manuals shall be the property of the Village and that to the extent this Agreement is terminated during its Term, is not renewed, or otherwise expires, all such manuals will be left with the Village. To the extent that such manuals contain general information and procedures developed by Contractor or the confidential or proprietary information of Contractor, the Village agrees that it will not distribute such information beyond necessary Arena personnel. The Village agrees at all times to maintain the confidentiality of Contractor's confidential and proprietary information, processes, plans and manuals.

2. The Contractor shall issue a copy of the Arena's Post Orders, if any, to all Service Personnel.

3. *Uniforms, Equipment.* Unless otherwise stated herein, Contractor shall provide all the necessary labor, materials and equipment to completely execute the Services specified under the Agreement including, but not limited to, all Service Personnel uniforms. All uniforms and equipment to be used during this Agreement must be approved by the Village prior to being used by Contractor for the Services.

4. *Facilities.* Items provided by the Village which are directly related to the Services of the Contractor, on event day are:

a) Work space and event security room.

b) Keys, as required for the execution of work (one set only). Under no circumstances shall Contractor or any of their employees have duplicate keys made. Should duplicate keys be made or the original set lost, the penalty for doing so will be that the Contractor will be held responsible for all costs entailed in rekeying the building or specified areas as required.

c) Radios may be provided by the Village to Contractor's Managers and/or Supervisors. Contractor is responsible for repair or replacement cost of units damaged by any of Contractor's personnel, and/or agents.

5. *Quality Assurance.* Contractor shall keep legible and accurate daily records of the Services performed by the employees of Contractor as requested by the Village. Each quarter, Contractor

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shall conduct a minimum of four (4) unscheduled inspections by supervisory personnel during event days or nights. Contractor's evaluations derived from such inspections shall be made available to the Village. Contractor's Manager and/or Supervisor shall meet with the Village prior to any Arena Event and be available to attend any meeting the Village concerning Contractor's Services at the Arena, as reasonably requested by the Village.

6. *Labor.*

- A. Contractor agrees that its provision of all services under this Agreement shall be and is as an independent contractor and it is expressly agreed that Contractor is not authorized to and shall not act as a representative or agent of the Village.
- B. Contractor is responsible for the hiring and dismissing its Service Personnel. However, authorized representatives of the Village have the right to have any employee, independent contractor, and/or agent of Contractor removed from the Arena, for cause. Contractor will be responsible for preparing all work schedules to assure coverage of all posts for which the Village has requested coverage.
- C. It is Contractor's sole responsibility to require and ensure that all of its employees, independent contractors, and agents follow Village policy to act in accord with all laws in the performance of all services under this Agreement.
- D. Contractor's employees shall be uniformly dressed and clean and neat in appearance. All Contractor's employees must display identification prominently and at all times while on the Arena premises.
- E. All Contractor's Service Personnel involved in providing Security Services and Event Services shall be qualified and properly trained in the theory and practical application of security services and proper crowd management techniques, respectively. All Service Personnel shall be held to the highest standards of customer service in all interactions with patrons, guests, employees or any other person. The Village retains the right to demand placement and deployment of specific positions and quantities of personnel, and Contractor shall not be responsible for any decisions or security assessments made by the Village or anyone else, including pertaining to the sufficiency and placement of staffing.
- F. To the extent allowable under applicable law, Contractor shall conduct a background check and drug screening on all its employees working at the Arena, including supervisors and management personnel.
- G. All security personnel and management providing Services at the Arena will be exposed to the public. Therefore, the Village requires the following qualifications:
 - No felony convictions or convictions involving violent crime or theft, or any conviction involving moral turpitude.
 - Must be a regular full or part time employee of the Contractor, unless otherwise agreed in writing upon by Contractor and the Village that a specific Arena Event requires that Contractor hire an independent contractor. In such event, Contractor's independent contractor(s) must otherwise meet the same qualifications identified herein.

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- Must be fully bondable or already a bonded and licensed security guard in the State of Illinois.
- Must be able to verbally communicate in a clear, distinct and courteous manner.
- Must be able to write clear and accurate reports and be able to complete any and all types of reports.
- Must successfully complete the training as prescribed by the Contractor and approved by the Village.
- Must have experience in guest service relations.

7. *Training.* Contractor shall provide all training for the security officers, event staff, supervisors and management for the arena at 70% of the bill rate for position for a maximum of four (4) hours each year. On-the-job training is not billable to the Village. All classroom training over four (4) hours per year is non-billable to the Village. The Contractor trainer is non-billable to the Village.

8. *Training of Security Personnel.* All Service Personnel providing Security Services shall receive complete training and instructions, provided by Contractor, in the areas of:

- A. Procedures in reporting emergency problems or situations
- B. Search and detection of bombs and weapons
- C. Crowd control
- D. Training in Arena's Emergency Response Plan
- E. Conflict management and resolution

9. *Reports.* The following reports are to be submitted by Contractor to the Village upon reasonable request of the Village:

- A. Event security operational report of staffing levels.
- B. Copies of all incident reports created before, during and after Arena Events
 - Contractor will ensure that incident reports are completed as to any unusual incidents occurring on Arena premises while Contractor is providing Services at the Arena.
 - Contractor will ensure that an incident report is submitted to the Village as to any and all injuries occurring in or on the premises of the Arena while Contractor is providing Services at the Arena. Event and incident reports shall be submitted by Contractor to the Village at the end of each event or reasonable amount of time thereafter.



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APPENDIX D SCOPE OF WORK - PARKING

This Appendix D is incorporated by reference in to the Agreement ("Agreement") entered by and between the Village of Hoffman Estates, through its agent, Global Spectrum L.P. (collectively "the Village"), with its offices at 5333 Prairie Stone Parkway, Hoffman Estates, IL 60192 and Andy Frain Services, Inc. ("Contractor") with its principal offices at 761 Shoreline Drive, Aurora, Illinois 60504, and this Appendix E identifies the agreed upon Scope of Work for certain parking services contemplated by this Agreement, as follows:

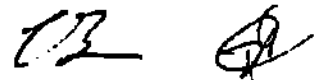
1. *Services.* Pursuant to the Agreement, Contractor shall furnish certain parking management services (including, without limitation, providing personnel ("Service Personnel") as requested by the Village to provide Parking Services ("Parking Services") at Arena Events by directing vehicle traffic, by managing the parking of vehicles during an Arena Event, remit all applicable taxes to taxing authorities, and collecting parking revenues, as described below. The following Parking Services which have been requested by the Village and which Contractor agrees to furnish pursuant to this Agreement are more fully described, as follows:

a) Contractor shall provide certain Parking Services at the Arena Events held from time to time as requested by the Village, including collection of parking fees as certain Arena Events, as more fully described in the following Scope of Work. The number of and types of service personnel positions contemplated by this Agreement are identified in Appendix B to the Agreement. The Contractor's service personnel will be assigned by the Village to specific posts and provided post orders ("Post Orders"), as detailed and provided by the Village to provide the Services. The Village specifically reserves the right to reassign as needed any Service Personnel to other functions and posts as the Village in its sole discretion may deem necessary.

If at any time Contractor believes that personnel or services in excess of those expressly requested by the Village and described in this Agreement are necessary to properly furnish Services at the Property, Contractor may so inform the Village. However, the Parties agree that Contractor's responsibility is solely limited to providing Parking Services, and that Contractor has not been engaged by the Village as a consultant or otherwise to provide advice or an assessment of security or event staffing needs at the Arena, except as otherwise specifically identified herein. Contractor shall not be responsible for any decisions or security assessments made by the Village or anyone else, including pertaining to the sufficiency and placement of staffing.

The Parties agree that any change in the Scope of Work contemplated by this Agreement, including any modification, supplementation or reduction in Parking Services or service personnel, shall be made by a request in writing by the Village and, if such changes or modifications are accepted by Contractor, shall be agreed upon in writing signed by the Village and Contractor.

b) *Scope of Work:* the Parking Services shall include the following:



Sears Centre-Village of Hoffman Estates-(Global Spectrum, as Agent)

c) Contractor shall furnish Service Personnel (as requested by the Village and set forth in Appendix B to the Agreement) to provide event services with respect to the parking lots and facilities at the Arena during Arena Events, with the exception of certain reserved parking facilities as specified by the Village. Contractor shall be responsible for directing vehicle traffic at the Arena's parking facilities during Arena Events. Contractor shall also be responsible for managing parking of vehicles during such Arena Events. Contractor shall be responsible to remit all applicable taxes to taxing authorities.

d) Contractor shall have the sole right and responsibility to collect parking revenues derived from the use of the parking facilities at Arena Events.

e) Contractor shall employ Service Personnel for the collection of parking revenue and fees for the parking facilities at Arena Events.

f) Maintenance of accounting records of all income and expenses related to the parking revenues and fees collected by Contractor.

g) Consultation with the Village's Arena management on all matters involving the operation of the parking facilities.

h) Preparation of an Operating Manual with parking policies and procedures for The Village approval. Contractor acknowledges that the aforementioned manuals shall be the property of the Village and that to the extent this Agreement is terminated during its Term, is not renewed, or otherwise expires, all such manuals will be left with the Village. To the extent that such manuals contain general information and procedures developed by Contractor or the confidential or proprietary information of Contractor, the Village agrees that it will not distribute such information beyond necessary Arena personnel. The Village agrees at all times to maintain the confidentiality of Contractor's confidential and proprietary information, processes, plans and manuals.

2. *Specific Terms, Conditions and Obligations for Parking Services.*

a) Contractor shall invoice the Village and be promptly reimbursed by the Village for the following expenses which Contractor anticipates incurring in endeavoring to collect parking revenues and fees at Arena Events and otherwise providing Parking Services at the Arena: salaries and wages of Contractor's Service Personnel, Contractor's use, purchase, lease or construction of directional or informational signs (with prior approval by the Village), parking tickets and all other necessary and reasonable direct costs related to such parking services.

b) The Parties acknowledge the Village shall be solely responsible for performing and monitoring maintenance and repair of the Arena's parking lots and facilities, such as sweeping, re-stripping, and sealing of parking areas, cleaning and clearing or snow removal from parking areas. Accordingly, Contractor shall have no obligations to inspect or monitor the condition of the pavement of the Arena's parking facilities, or perform maintenance or janitorial service with respect to the Arena's parking facilities.

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c) Contractor acknowledges that Contractor shall be solely responsible for all Operating Expenses of Contractor and that such expenses shall not be chargeable to the Village with the exception of those direct costs identified in paragraph 2.a). For illustration purposes, such other Operating Expenses not chargeable to the Village include, but is not limited to:

- o Administration and related costs and expenses incurred in the operation of the parking facilities or the other operations of operator, as they are incurred in the general management of the affairs of the parking facilities or operator's other operations, including the monitoring of the operation and management of the parking facilities.
- o Maintenance of the general books and records of the operator.
- o Office supplies and equipment used by the operators which are not used exclusively for the parking facilities.
- o Postal, telephone, and travel expenses related to the management of the parking facilities.
- o The cost of any managers, supervisors, and couriers who are not employed at the parking facility.
- o Taxes and permits
- o Insurance

d) All parking revenues, fees and monies collected by Contractor will be deposited with the Arena box office immediately after each event, or as otherwise directed in writing by the Village.

Contractor shall be responsible for payment of any applicable Parking Taxes directly to the tax authorities and shall defend, indemnify and hold harmless the Village from and against any and all liability (including, without limitation, penalties) for payment of said Parking Taxes. Upon request, proof of payment of Parking Taxes shall be furnished to the Village by Contractor. Contractor shall invoice the Village for and the Village shall pay Contractor for the amount of the applicable Parking Taxes paid by Contractor to tax authorities on behalf of the Village.

e) Contractor shall submit supervisor staffing for approval by the Village, prior to each Arena Event.

3. **Uniforms, Equipment.** Unless otherwise stated herein, Contractor shall provide all the necessary labor, materials and equipment to completely execute the Parking Services specified under the Agreement including, but not limited to, all Service Personnel uniforms. All uniforms and equipment to be used during this Agreement must be approved by the Village prior to being used by Contractor for the Parking Services.

4. **Facilities.** Items provided by the Village which are directly related to the Parking Services of the Contractor, on event day are:

Sears Centre-Village of Hoffman Estates-(Global Spectrum, as Agent)

- a) **Work space and event security room.**
- b) **Keys, as required for the execution of work (one set only). Under no circumstances shall Contractor or any of their employees have duplicate keys made. Should duplicate keys be made or the original set lost, the penalty for doing so will be that the Contractor will be held responsible for all costs entailed in rekeying the building or specified areas as required.**
- c) **Radios will be provided by the Village to Contractor's Managers and/or Supervisors.**

5. *Quality Assurance.* Contractor shall keep legible and accurate daily records of the Parking Services performed by the employees of Contractor as requested by the Village. Each quarter, Contractor shall conduct a minimum of four (4) unscheduled inspections by supervisory personnel during event days or nights. Contractor's evaluations derived from such inspections shall be made available to the Village. Contractor's Manager and/or Supervisor shall meet with the Village prior to any Arena Event and be available to attend any meeting the Village concerning Contractor's Parking Services at the Arena, as reasonably requested by the Village.

Sears Centre – Village of Hoffman Estates – (Global Spectrum, as Agent)

**APPENDIX E
Insurance and Indemnification**

This Appendix E is incorporated by reference in to the Agreement ("Agreement") entered by and between Village of Hoffman Estates, through its agent, Global Spectrum L.P. ("the Village"), with its offices at 5333 Prairie Stone Parkway, Hoffman Estates, IL 60192 and Andy Frain Services, Inc. ("Contractor") with its principal offices at 761 Shoreline Drive, Aurora, Illinois 60504 (collectively, "Parties"), and this Appendix E identifies the agreed upon insurance and indemnification obligations of the Parties under the Agreement, as follows:

1. Contractor shall maintain during the term of this Agreement, at its own expense, insurance policies issued by an insurance company licensed to do business in the State of Illinois and signed by an authorized agent, as follows:

INSURANCE REQUIREMENTS	
<u>Workers Compensation</u> <u>Employer's Liability</u>	Statutory coverage \$1,000,000 each accident \$1,000,000 policy limit
<u>General Commercial Liability (including Contractual)</u>	\$1,000,000 each occurrence
<u>Business Automobile Liability (including owned & non-owned)</u>	\$1,000,000 each occurrence
Additional Insured	Contractor agrees to include and name on a primary and non-contributory basis the Village of Hoffman Estates, Global Spectrum, L.P. and Sears Holdings Corporation (and their respective members, managers, officers, officials (elected and appointed), directors, partners, agents and employees and representatives as Additional Insureds on Contractor's General Commercial Liability, and Business Auto Liability policies.

2. Contractor agrees to name the Village of Hoffman Estates, Global Spectrum, L.P. and Sears Holdings Corporation (and their respective members, managers, officers, officials (elected and appointed), directors, partners, agents, employees, and representatives) as Additional Insureds on a primary to and not contributory basis on Contractor's General Commercial Liability, Auto Liability and Umbrella liability insurance plans. Contractor further agrees to cause such insurance to be endorsed with an endorsement providing to the maximum extent permitted by applicable law for the waiver of its and its insurer's rights of subrogation against any indemnified party or additional insured party, and that any insurance coverage or self-insured program of the Village of Hoffman Estates, Global Spectrum, L.P., Sears Holdings Corporation, or any of the other

Sears Centre – Village of Hoffman Estates – (Global Spectrum, as Agent)

additional insureds, shall be excess to any other insurance issued to the Additional Insureds. Insurance effected or procured by Contractor hereunder will not reduce or limit Contractor's contractual obligation to indemnify and defend the Village of Hoffman Estates, Global Spectrum, L.P., and Sears Holdings Corporation (and their respective members, managers, officers, officials (elected and appointed), directors, partners, agents, employees and representatives) pursuant to Section 5 hereof.

3. Contractor, at least thirty (30) days prior to the commencement of the Term (or immediately upon execution hereof, if less than thirty (30) days remain before the Term's commencement), shall provide to the Village evidence of the Insurance required (including certificates of insurance, policies, and endorsements) pursuant to Paragraph 1 and 2 above. The policies shall also provide, that the coverages may not be canceled or that a major change in coverage may not be implemented without at least thirty (30) days' prior written notice given to the Village and Global Spectrum L.P. All insurance policies shall be issued by insurance companies rated no less than A VIII in the most recent "Bests" insurance guide, and licensed in the State of Illinois or as otherwise agreed by the parties. All such policies shall be in such form and contain such provisions as are generally considered standard for the type of insurance involved.

4. The insurance certificate shall be for the initial Agreement period of one (1) year and shall be extended by the Contractor for each subsequent year of the Agreement.

5. Contractor shall notify the Village prior to issuance of a cancellation notice and provide evidence of a new source of required insurance prior to cancellation of the previous policy.

6. In the event the Contractor fails to obtain, maintain and/or keep in force the above insurance policies, the Village shall have the right to declare a default and to immediately terminate the Agreement upon written notice.

7. Contractor hereby agrees to indemnify, defend, save and hold harmless the Village of Hoffman Estates, Global Spectrum, L.P., Sears Holdings Corporation, and their respective successors and assigns, and each of their respective members, managers, officers, officials (elected and appointed), directors, partners, agents, employees and representatives (collectively, "Indemnitees") from and against any and all claims, suits, judgments, losses, injuries, damages, liabilities and expenses, including, without limitation, reasonable attorneys' fees and expenses ("Claims or Costs"), occasioned in connection with, arising or alleged to arise from, wholly or in part, (i) the wrongful acts, errors or omissions of Contractor or Contractor's employees, independent contractors, and/or agents while performing agreed upon duties under the terms of this Agreement, (ii) any breach of this Agreement by Contractor, or (iii) the wrongful or negligent act or omissions, or violation of any applicable law, rule, regulation or order, of or by Contractor or any of its employees, independent contractors, and/or agents or by anyone for whose acts Contractor is responsible or is under the control of Contractor. It is further the intent of this Agreement that this indemnity provision and this Agreement is deemed a written agreement for indemnity under the Illinois' Workers' Compensation laws. The provisions of this Paragraph shall survive any expiration or termination of this Agreement. Contractor expressly

Sears Centre – Village of Hoffman Estates – (Global Spectrum, as Agent)

understands and agrees that any insurance protection which may be required by this Agreement or any other agreement or which is otherwise provided by Contractor shall in no way limit the Contractor's responsibility to indemnify, keep and save harmless and defend the Village of Hoffman Estates, Global Spectrum, L.P., Sears Holdings Corporation, and their respective successors and assigns, and each of their respective members, managers, officers, officials (elected and appointed), directors, partners, agents, employees and representatives as provided in this paragraph.

Except where caused by the wrongful or negligent act or omission of the Contractor, its employees, independent contractors, and/or agents, the Contractor shall not be liable to and shall not defend, indemnify or hold harmless any additional insured or indemnified party for any injury, claim, loss, death or cause of action arising from a slip, trip or fall occurring at, in or near the Arena, including in the Arena's Parking Lot.

BC (TA)

Sears Centre - Village of Hoffman Estates - (Global Spectrum, as Agent)

**APPENDIX F
Sponsor License Agreement**

This Appendix F is incorporated by reference in to the Agreement ("Agreement") entered by and between Sears Centre Arena and the Village of Hoffman Estates, through their agent, Global Spectrum ("Client"), with its offices at 5333 Prairie Stone Parkway, Hoffman Estates, IL 60192 and Andy Frain Services, Inc. ("Contractor") with its principal offices at 761 Shoreline Drive, Aurora, Illinois 60504 (collectively, "Parties"), and this Appendix F identifies the agreed upon Sponsor License obligations of the Parties under the Agreement (see next page).

Annual sponsorship due from Contractor is \$20,000, payable quarterly in the amount of \$5,000 per quarter.

COMMITTEE AGENDA ITEM

VILLAGE OF HOFFMAN ESTATES

SUBJECT: Request Authorization to a) enter into a Professional Services Agreement with Azavar Solutions, Inc. for a municipal revenue audit; and b) enter into an Agreement with Troy & Banks, Inc. for a municipal utility and telecommunication expense audit.

MEETING DATE: July 19, 2021

COMMITTEE: Finance

FROM: Rachel Musiala, Director of Finance

PURPOSE: With all of the changes that continue to occur in the market related to the regulation of gas, electricity and telecommunications, a utility audit is recommended to verify accuracy and identify credits and refunds that may be due the Village from its current carriers.

Additionally, conducting a revenue audit of the Village's municipal tax and franchise fee revenues could help maximize funds and ensure the taxes and fees due the Village are being realized.

BACKGROUND: The Village has conducted utility expense audits in the past utilizing a third party. Back in 2006, the Village contracted with AmAudit and during the course of their audit, they identified savings to the Village in excess of \$130,000 over a twenty-four month period. And then in 2008 when the Village contracted again with AmAudit, they identified savings to the Village in excess of \$112,000 over a thirty-six month period. As can be seen, these utility audits have been successful in the past.

The Village has not conducted a revenue audit in recent history.

DISCUSSION: The Village sent out a Request for Proposals for "Utility Bills, Telecommunications, and Revenue Audit Services". Since we knew some firms would only specialize in certain aspects of our request, the RFP was flexible and allowed firms to only offer a proposal for services that they were familiar with.

The Village received four proposals: one proposal from a firm that clearly was an expert in the revenue audit field and three proposals from firms that had expertise in the utility audit (expense) field.

After reviewing the proposals in depth, two separate proposals were selected: one for the audit of municipal taxes and fees (revenues) collected by the Village and one for utilities paid for by the Village.

Azavar Solutions, Inc. specializes in revenue audits. They have a vast customer base with many references in the surrounding area. They will be auditing the Village's electric utility tax, natural gas utility tax, cable franchise fees and PEG fees, sales tax, hotel tax, food & beverage tax, packaged liquor tax, and telecommunication tax. If corrected revenues are identified and the Village agrees with the recommendations being made by the auditor, the Village agrees to pay a fee of 39% of the increased revenues as a result of any additional revenues realized by the Village found by the auditor. This fee is then paid each month for thirty-six (36) months following the month in which the changes have been fully implemented.

Troy & Banks, Inc. has been selected to perform an audit of utility & telecommunication bills that the Village pays. Specifically, they will be auditing energy billings for streetlights, electric, telecommunications, and heating fuels. If savings are identified and the Village agrees with the recommendations being made by the auditor, the Village agrees to pay a fee of 33% of any refunds or savings identified and realized by the auditor. This fee is then paid each month for twelve (12) months following the month in which the changes have been fully implemented.

The process for both audits require very little work of Village staff, other than to provide documentation for the applicable revenues and expenses that are being audited. The auditors then review the information, along with data they will receive directly from utility companies and, based on their expertise, provide recommendations which are then subject to approval by the Village. Both firms work under the limits of any laws or regulations of the State of Illinois and will not violate any confidentiality agreements currently in place with the State of Illinois or any utility. It should be noted that if either auditor find no increased revenues or expense savings for the Village during the course of their audits, the Village will have no obligation to pay either firm any fees or costs.

RECOMMENDATION:

Request Authorization to a) enter into a Professional Services Agreement with Azavar Solutions, Inc. for a municipal revenue audit; and b) enter into an Agreement with Troy & Banks, Inc. for a municipal utility and telecommunication expense audit.



Proposal Submitted for
RFP for Professional Services:
To Audit Utility Bills, Telecommunications and Revenue
Village of Hoffman Estates

May 10, 2021



Proposal Submitted By:
Azavar Government Solutions, Inc.
55 East Jackson, Suite 2100
Chicago, Illinois 60604
Phone: (312) 583-0100
Fax: (312) 583-0200
Toll Free: (800) 683-0800
www.azavaraudit.com

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Cover Letter

May 21, 2021

Rachel Musiala
Director of Finance
1900 Hassell Road,
Hoffman Estates, IL 60169

Dear Ms. Musiala:

Azavar Government Solutions Inc. is pleased to respond to the Village of Hoffman Estates' RFP for Professional Services to Audit the Village's Utility Bills, Telecommunications and Revenue. We acknowledge receipt of the RFP and are committed to the terms and conditions in the RFP. After carefully evaluating the Village of Hoffman Estates' requirements, we believe Azavar Government Solutions is the best choice to complete the audits requested in the RFP.

Azavar Government Solutions, Inc. has conducted hundreds of audits for Illinois municipalities and as a result we have returned thousands of dollars in cost savings and revenue enhancements to those communities. We maximize municipal funds through comprehensive review and audit programs on a contingent fee basis for local governments and we are proposing to do the same for the Village of Hoffman Estates.

This proposal demonstrates our experience in auditing taxes and fees and outlines the process that we will use to perform the audits to increase revenue for the Village through review of tax collections and franchise agreements and reduces costs through a review of bills. We also provide additional background on the company and the resources that we have available to complete this project effectively and efficiently.

We are available to provide any additional information that may be required during your selection process. I will be the primary point of contact for this project. Please feel free to contact me with any requests for information.

We look forward to working with Hoffman Estates in the future.

Sincerely,



Jason Perry
President
Azavar Government Solutions, Inc.

1- Proposer Information

Company Name: Azavar Government Solutions, Inc.

Location of Offices: 55 East Jackson, Suite 2100
Chicago, Illinois 60604

Point of Contact: Jason Perry, President

Contact Information: Email: jperry@azavar.com
Phone: (312) 583-0100
Fax: (312) 583-0200
Toll Free: (800) 683-0800

Website: www.azavaraudit.com

Azavar Government Solutions maximizes funds for local government by specializing in electronic audits of municipal tax and franchise revenues and provider costs delivered by our experienced audit team on a contingency fee basis.

Founded in 1996, Azavar began as a technology company solving complex problems through software and database development. It is with this unique, technological expertise that Azavar began to evaluate large amounts of data for municipal clients to identify and correct errors. This effort grew to become Azavar Audit Solutions, Inc., which was formed as a separate firm in 2006 and later changed its name to Azavar Government Solutions. Azavar has conducted municipal tax and fee and other revenue audits on behalf of more than 300 Illinois local governments as well as local governments throughout the United States including California, Colorado, Michigan, Ohio, Oregon, Texas and Washington.

Through our strategic partnerships and development of our Expert Consultants Group, Azavar Government Solutions' consultants bring over 100 years of experience to the table auditing regulated and deregulated utilities on behalf of local governments.

Our services include auditing municipal taxes and franchises, users, provider taxpayers, hotel/motel taxpayers, sales taxpayers, and costs (electric, natural gas, telecommunications, water, waste, etc.). Current communities served vary in size from populations as small as 500 to as large as 5.2M that include multiple providers, franchisees, facilities, and services. Azavar Government Solutions has returned over \$500 Million to local government clients in refunds, credits, savings, and future revenues through its audits of utilities and users.

Project Team

The Azavar team comes from a diverse background including public administration, finance, law, and information technology. Our proprietary auditing software platform,

Village of Hoffman Estates, Illinois

Azavar Government Solutions, Inc.

Professional Services to Audit Utility, Telecom and Revenue operated by our trained staff, is designed to identify errors, and allows us to pursue maximum recoveries for our clients. The unique background of our staff and consultants

enables us to develop creative solutions to challenges that arise during the audit process and our combined knowledge helps produce great financial results for our clients.

The project manager for this project will be Ted Kamel. Project staff composition will include, but not be limited to, three (3) analysts and expert consultants. The Azavar project manager will utilize additional staff from the complete Azavar team of 44 professionals on an as-needed basis. All primary consultants planned for this project are as follows:

Jason Perry, President

Jason Perry is the President of Azavar Audit Solutions, Inc., and has been the driving force of Azavar's specialized software and utility audit program since its inception, improving methodologies and developing the proprietary software that Azavar uses to perform utility analysis.

Mr. Perry leads the Azavar Audit Solutions team of consultants, analysts, electronic auditors, and field analysts. For over 20 years, Mr. Perry has led Azavar project teams to successfully complete projects for large organizations that include multiple sites and facilities, multi-faceted requirements, multiple consultants, and multiple stages.

Scott Shamberg, Vice President

Scott Shamberg is Vice President of Azavar Government Solutions. Mr. Shamberg has been with Azavar Government Solutions for 10 years. He has a background in municipal management with a master's in public administration (MPA) and has worked for Elk Grove Village in the village manager's office and the Village of Highland Park in economic development. Mr. Shamberg led the development of Azavar's utility franchise tax review program and has spearheaded audits on natural gas, electric, cable, telecom, water, and other revenue streams, returning millions of dollars to municipalities. Mr. Shamberg is a frequent presenter to various municipal organizations on topics related to local government revenues.

Michele Bermingham, Senior Analyst

Michele Bermingham is Senior Analyst for Azavar Government Solutions. Ms. Bermingham has been with Azavar Government Solutions for 4 years. Ms. Bermingham leads Azavar's utility franchise tax audits. She has a background in Supply Chain Management and has worked in the beverage and textile industries prior to transitioning into local government tax and fee analysis.

Erin Marshall, Operations Manager

Erin Marshall is the Operations Manager at Azavar. Ms. Marshall has been with the company for 5 years and in that time has managed all data and information projects and

Village of Hoffman Estates, Illinois

Azavar Government Solutions, Inc.

Professional Services to Audit Utility, Telecom and Revenue customer onboarding. She has a master's degree in Library and Information Science. Ms. Marshall has worked with hundreds of different utility tax and sales/use tax reviews in

multiple states. She brings years of experience and knowledge of best practices ordinances to ensure compliance.

Diversity in the Azavar Family:

- Azavar has a diverse workforce with team members from varied backgrounds including Black, Hispanic, Korean, Vietnamese, Syrian, and Jordanian.
- We are proud to say that our staff is 45% female.
- Localgov LLC is an employee-owned company
- We regularly work and partner with minority and women owned companies and organizations.

2- References

Provided below are five (5) references of projects that are relevant to the comprehensive audit program proposed for the Village of Hoffman Estates. Client information presented below is confidential and proprietary to Azavar Government Solutions.

References

The below reference municipalities and client contacts represent municipalities for which Azavar Government Solutions conducted all audits in the last two (2) years.

Client Name	Contact Person / Title	Phone	Email Address
Village of Hanover Park, IL	Rodney Craig, Mayor	(224) 723-8703	rcraig@hpil.org Population: 38K
Village of Bloomingdale, IL	Gary Szott, Finance Director	(630) 893-7000	szottg@vil.bloomingtondale.il.us Population: 22K
Village of Des Plaines, IL	Dorothy Wisniewski, Assistant City Manager/Finance Director	(847) 391-5300	dwisniewski@desplaines.org Population: 59K
Village of Joliet, IL	Jim Ghedotte, Finance Director	(815) 724-3900	jghedotte@jolietVillage.org Population: 148K
City of Evanston, IL	Hitesh D. Desai, CFO/Treasurer	(847) 448-8082	hdesai@cityofevanston.org Population: 75K

4- Management Overview and Approach

Key Overall Tasks

1. Contact City's staff and obtain documentation required to kick-off the project.
2. Review applicable federal, state and local regulations and agreements to gain a full understanding of the financial obligations to the City, including the basis for and the determination of taxes and franchise fees.
3. Prepare initial data requests to the City and audited entities requesting information related to the review period. During the course of the project, if needed, prepare additional data requests and submit to the entities.
4. Identify and formally address any non-disclosure agreement issues that may arise with a franchisee regarding availability and confidentiality of data necessary to effectively complete the review.

A. Work Plan Approach for Electric and Gas Tax

Review Address Geographical Allocation Data and Gross Revenue Computations

1. Utilize proprietary systems and software operated by Azavar to analyze provider usage by service point in the City that are not reported as service addresses by the provider. Azavar will identify any address coding discrepancies and will correct miscoded addresses so that the franchisee properly identifies the address property as in the City for future remittances of taxes.
2. A gross revenue audit will determine if the proper taxes derived from local users of service are being calculated and remitted appropriately by the provider. Azavar will determine if any revenues remain unaccounted for when tax remittances are being computed by a provider.

Calculate and Report Number of Addresses and Dollar Amount of any Use Tax Underpayments

3. Develop a spreadsheet model that includes the following:
 - a. Summarize addresses that do not appear in the provider's database and create estimates of back taxes owed as well as recovery amounts going forward; and,
 - b. Independently calculate gross revenue computations of the tax for any under-payments reported to the City for the review period.
4. Calculate interest and penalty charges based on City Ordinances and State Laws on under payment of taxes.

Prepare and Submit Results to the Provider and Final Back Tax Reports to the City

5. Submit address allocation errors and gross revenue computations errors to the provider for correction going forward.

6. Submit a report of back taxes owed by the provider to the City that will include the following:
 - a. A table that calculates all back taxes owed including penalty in interest for both the missing addresses and miscalculated gross revenues
 - b. Explanation of findings, including any ordinances and laws used and cited. Specifically identifying the areas and nature of noncompliance including recommended corrective actions
 - c. Supporting data that summarize the findings by month; and,
 - d. Recommendations for based on the findings.
7. Based on comments provided by the City, finalize, and submit notice of tax liability to the provider.

Recovery of Unpaid Taxes

8. Work collaboratively with the provider and the City to collect all back taxes owed or reach a settlement agreement.

Deliverables

9. Submit final report to the City, which includes supporting schedules, that summarizes the findings with a detailed explanation of payment discrepancies and recoveries including any restitution of unpaid taxes.

B. Work Plan Approach Cable Franchise Fees

Review Franchisee's Calculation of Cable Fees

1. Inspect billing and receipt records used to substantiate Cable Fees due from customers. Summarize the franchise and PEG fee information for the review period and note any inconsistencies.
2. Review financial data of gross revenues to verify that they were reported in accordance with the definition of gross revenues set forth in California, including:
 - a. Comparisons of reported revenues by type over the entire review period;
 - b. Determine if the franchisee reported amounts received from Cable Fees, PEG fees, late fees, and returned check fees; and,
 - c. Review and analyze read histories to identify errors in billing and revenues processes.
3. Review payments to the City, supporting data and recalculate the Cable Fees for the review period.
4. Develop a spreadsheet model that includes the following calculations:
 - a. Summarize revenues recorded on source documents provided by the franchisee. Include comparison.
 - b. Independently calculate the Cable Fees that should be reported to the City.
 - c. Calculate, in parallel columns, the gross revenues reported to the City vs. the gross revenues calculated Azavar, by category of revenues.

Professional Services to Audit Utility, Telecom and Revenue

- d. Calculate under/overpayment of Cable Fees by category of revenues.
 - e. Calculate interest charges on under/over payment of Cable Fees and any possible penalties or late filing assessments.
5. On a test basis, reconcile gross revenues submitted as supporting documentation with the franchise fee payments to revenues recorded on the audited financial statements or equivalent reporting information.
 6. Identify each revenue type or source that the franchisee did not include in the determination of Cable Fees remitted to the City for the review period from failure to report or include as a City address.
 7. Ensure that gross revenues recorded on the general ledger are properly included in the franchise and PEG fee payments in accordance with the franchise agreement.
 8. Note whether the franchisee has substantively fulfilled its financial obligations in regard to its franchise agreement with the City and determine that it adheres to the general parameters of the franchise agreement.
 9. Verify that the accounting methodologies and procedures used by the franchisee accurately identified revenues subject to Cable Fees within the City during the review period, investigate any inconsistencies and provide recommendations, if applicable, and franchisee, as specified in the franchise agreement, have:
 - a. Identified the appropriate source of revenue on which the City's franchisee and PEG fee collections will be based upon (revenues);
 - b. Applied the appropriate franchise and PEG fee calculations as specified in the franchise agreement; and,
 - c. Retained supporting documentation such as customer billing and receipt records to substantiate franchise and PEG fee base.
 10. Review the growth of the franchisee and perform an analysis that confirms that the revenue growth of the franchisee is similar to the growth of the revenues reported to the City in the franchise and PEG fee payments.

Calculate and Report Dollar Amount of Franchise and PEG Fee Underpayments

11. Develop a spreadsheet model that includes the following calculations:
 - a. Summarize revenues recorded on source documents provided by the franchisee; and,
 - b. Independently calculate the Cable Fees under/over reported to the City for the review period.
12. Calculate under/overpayment of Cable Fees by category of revenues.
13. Calculate interest charges and any other applicable fees on under/over payment of Cable Fees.

Prepare and Submit Draft and Final Reports to the City

14. Submit draft report to the City for review and comments. The draft report will include the following:

- a. A table that compares, in parallel columns, the revenues reported to the City as compared to amounts calculated by Azavar.
 - b. Explanation of findings, including any noncompliance items noted during the review. Specifically identifying the areas and nature of noncompliance including recommended corrective actions.
 - c. Supporting tables that summarize the findings by year.
 - d. Calculation of under/overpayment of Cable Fees plus any required penalties and interest; and,
 - e. Recommendations for based on the findings.
15. Based on comments provided by the City, finalize and submit final report to the City.

Recovery of Unpaid Cable Fees

16. Work collaboratively with the franchisee and the City to formulate solutions for noted issues and recovery of unpaid Cable Fees.

Deliverables

Submit final report to the City, which includes supporting schedules, that summarizes the findings with a detailed explanation of payment discrepancies and recoveries including any restitution of unpaid franchise fees.

C. Work Plan Approach Sales Tax

1. Utilize proprietary systems and software operated by Azavar to analyze data provided by IDOR for allocation errors. Azavar will identify any address coding discrepancies and will correct miscoded addresses so that IDOR identifies the address property as in the City for future remittances of sales taxes. Azavar cannot review financials numbers provided by IDOR at this time by state law.
2. Submit address allocation errors to the City along with supporting documentation to be sent to IDOR for correction going forward. Azavar cannot contact IDOR directly on the City's behalf.
3. IDOR will provide the City with confirmation that address changes have been made. The first remittance following the correction will contain six months of back taxes from when the error was made known to IDOR plus any additional months since then to the present.

Deliverables

Submit final report to the City, which includes supporting schedules, that summarizes the findings with a detailed explanation of recoveries.

D. Work Plan Approach Hotel/Motel Tax

Contact Taxpayers

1. Contact businesses with approved letter from the City to schedule on-site visits to collect all documents necessary to conduct audit.
2. Conduct scheduled onsite visit to do initial sampling audit and collect necessary documents.

Review Documents and Calculate Dollar Amount of Unpaid Taxes

3. Develop a spreadsheet model for each hotel that includes estimates of any missing taxable categories or miscalculations of taxes owed. Any potential forward revenue increases from systemic issues will be calculated as well.
4. Calculate interest and penalty charges based on City Ordinances.

Prepare and Submit Results to the Businesses and Final Back Tax Reports to the City

5. Submit a report of back taxes owed by each hotel to the City that will include the following:
 - a. A table that calculates all back taxes owed including penalty in interest for unpaid taxes.
 - b. Explanation of findings, including any ordinances and laws used and cited. Specifically identifying the areas and nature of noncompliance including recommended corrective actions.
 - c. Supporting data that summarize the findings by month; and,
 - d. Recommendations for based on the findings.
6. Based on comments provided by the City, finalize and submit notice of tax liability to the hotels.

Recovery of Taxes

7. Work collaboratively with each hotel and the City to collect all back taxes owed or reach a settlement agreement.

Deliverables

Submit final report to the City, which includes supporting schedules, that summarizes the findings with a detailed explanation of recoveries of unpaid hotel-motel taxes that were recovered.

E. Work Plan Approach Food and Beverage and Liquor Taxes

Review Address Geographical Data and Contact Taxpayers

1. Utilize proprietary systems and software operated by Azavar to identify restaurants and other food and beverage dispensing entities subject to the City's ordinance that are not reporting F&B or liquor taxes to the City.
2. Submit an initial report to the City of all entities found to be not complying with the tax with supporting documentation.
3. Get signed agreement from the City confirming Azavar's Findings and approval to reach out to identified business.
4. Contact businesses with approved letter from the City and follow-up via phone if necessary, to collect all documents necessary to assess taxes owed.

Calculate Dollar Amount of Unpaid Taxes

1. Develop a spreadsheet model for each business that includes estimates of back taxes owed as well as recovery amounts going forward.
2. Calculate interest and penalty charges based on City Ordinances.

Prepare and Submit Results to the Businesses and Final Back Tax Reports to the City

3. Submit a report of back taxes owed by each business to the City that will include the following:
 - a. A table that calculates all back taxes owed including penalty in interest for unpaid taxes;
 - b. Explanation of findings, including any ordinances and laws used and cited. Specifically identifying the areas and nature of noncompliance including recommended corrective actions;
 - c. Supporting data that summarize the findings by month; and,
 - d. Recommendations for based on the findings.
4. Based on comments provided by the City, finalize and submit notice of tax liability to the businesses.

Recovery of Taxes

5. Work collaboratively with each business and the City to collect all back taxes owed or reach a settlement agreement.

Deliverables

Submit final report to the City, which includes supporting schedules, that summarizes the findings with a detailed explanation of missing businesses and recoveries including any restitution of unpaid F&B and liquor taxes.

F. Work Plan Approach for Telecommunications Tax

Review Address Geographical Allocation Data and Gross Revenue Computations

1. Utilize proprietary systems and software operated by Azavar to analyze provider usage by service point in the City that are not reported as service addresses by the provider. Azavar will identify any address coding discrepancies and will correct miscoded addresses so that the franchisee properly identifies the address property as in the City for future remittances of taxes. A gross revenue audit will determine if the proper taxes derived from local users of service are being calculated and remitted appropriately by the provider. Azavar will determine if any revenues remain unaccounted for when tax remittances are being computed by a provider.

2. A gross revenue audit will determine if the proper taxes derived from local users of service are being calculated and remitted appropriately by the provider. Azavar will determine if any revenues remain unaccounted for when tax remittances are being computed by a provider.

Calculate and Report Number of Addresses and Dollar Amount of any Use Tax Underpayments

3. Develop a spreadsheet model that includes the following:
 - a. Summarize addresses that do not appear in the provider's database and create estimates of back taxes owed as well as recovery amounts going forward; and,
 - b. Independently calculate gross revenue computations of the tax for any under/over-payments reported to the City for the review period.
4. Calculate interest and penalty charges based on City Ordinances and State Laws on under/over payment of taxes.

Prepare and Submit Results to the Provider and Final Back Tax Reports to the City

5. Submit address allocation errors and gross revenue computations errors to the provider for correction going forward.
6. Submit a report of back taxes owed by the provider to the City that will include the following:
 - a. A table that calculates all back taxes owed including penalty in interest for both the missing addresses and miscalculated gross revenues
 - b. Explanation of findings, including any ordinances and laws used and cited. Specifically identifying the areas and nature of noncompliance including recommended corrective actions
 - c. Supporting data that summarize the findings by month; and,
 - d. Recommendations for based on the findings.
7. Based on comments provided by the City, finalize, and submit notice of tax liability to the provider.

Recovery of Unpaid Taxes

8. Work collaboratively with the provider and the City to collect all back taxes owed or reach a settlement agreement.

Deliverables

9. Submit final report to the City, which includes supporting schedules, that summarizes the findings with a detailed explanation of payment discrepancies and recoveries including any restitution of unpaid taxes.

G. Work Plan Approach for Energy and Telecom Bills
Inspect Utility and Telecom Bills for Potential Errors

1. Examine bills for potential errors including but not limited to overcharges, tax exemptions, expired rates, unused phone lines, and technology upgrades.
2. Review current billing rates to ensure the City is getting the best rates possible for all telecom and energy services.

Prepare and Submit Results to the City

3. Submit a report of the audit findings to the City that will include a. Explanation of findings, including any ordinances and laws used and cited.
 - b. Supporting data that summarize the savings; and,
 - c. Recommendations for based on the findings.
4. Get sign-off on any changes the City wants made.
5. Provide any contracts for new services for the City to review and approve.

Recovery of Credits and Implementing Savings

6. Work collaboratively with the providers to ensure all changes are made and credits are implemented and returned to the City.

Deliverables

7. Submit final report to the City detailing implementation of savings and return of any credits due.

H. Timeline

All audits begin simultaneously but never finish at the same time since we are dealing with different providers. Most of the audits are completed within 18 to 24 months as a general timeline.

4 - Fee Proposal

Azavar Government Solutions proposes to provide the Village of Hoffman Estates a comprehensive audit program inclusive of all audits contemplated by the Village in Professional Services to Audit Village Revenues RFP

Azavar Government Solutions is compensated on a contingent fee, performance basis.

1. For all audits where the Village of Hoffman Estates receives no refunds or additional revenues and/or does not implement any cost savings recommendations made by Azavar Government Solutions, the Village will not owe anything to Azavar Government Solutions. Azavar Government Solutions requires no up-front payments or deposits.
2. **Azavar Audit program no risk price match promise.** For all future cost savings or revenue enhancements associated with error corrections or recommendations made by Azavar Government Solutions and authorized by the Village, Azavar Government Solutions will receive 39% of the cost savings or revenue enhancement as realized by the Village over a 39-month period following the implementation of the same. **If any competitor provides a price for an individual comparable audit relative to the total full audit program price, Azavar will match that competitor's price, guaranteed.** This rate is a discounted rate available only when all audit services requested herein are bundled as part of a comprehensive audit program from Azavar Government Solutions. All costs savings and revenue enhancements will be approved by the Village and documented to the Village's satisfaction prior to any billing by Azavar Government Solutions. The Village is free to accept or reject any recommendations. Remember, The city does minimal work in this process as Azavar does all the "boots on the ground" work.
3. For all refunds or credits not requiring collection action, Azavar Government Solutions will receive 45% of the funds or consideration received by the Village and payable only after the Village has received the funds. Azavar Government Solutions works with the Village's providers to secure the refunds, credits, or past due funds. In the event collection action is required to return funds to the Village, Azavar Government Solutions will receive 50% of the funds or consideration received by the Village and payable only after the Village has received the funds.

5- Case Studies

Springfield, Illinois: City to collect \$980K from Comcast for underpayment of franchise fees

Springfield will collect \$980,000 from Comcast after an auditing firm found an underpayment of franchise fees.

Springfield will collect \$980,000 from Comcast after an auditing firm found an underpayment of franchise fees.

Last year, Comcast paid more than \$1.6 million to the city. Under federal law, municipalities can collect up to 5 percent of the gross receipts the provider takes in for offering that service within a designated area. The city of Springfield collects the maximum franchise fee amount.

In 2011, the city contracted with a private firm, Azavar, to audit all of its utilities, including its cable provider Comcast. Azavar determined Comcast was underpaying its share of franchise fees and spent the last couple of months negotiating a settlement with Comcast. Because Azavar worked on a contingency basis, it will get one-third of the settlement.

The city council must formally approve an ordinance that would accept the settlement. The ordinance is on the consent agenda for next week, meaning it most likely will be passed without discussion.

A Comcast spokesman said the company is close to reaching an agreement and could not offer additional details. However, a letter attached to the ordinance confirmed the details of the settlement.

"Both the City of Springfield and Comcast of Illinois/Indiana/Ohio, LLC deem it to be to their mutual benefit to resolve their differences regarding the franchise fee audit," wrote Matthew Summy, Comcast vice president of external affairs.

Comcast will pay the settlement within 30 days of the ordinance being passed, according to the letter.

Mayor Jim Langfelder has said Comcast's current collections are up to date and that billing errors have been corrected as Comcast was notified.

Now that the franchise fee audit is settled, Langfelder said the city would begin to negotiate a new contract with Comcast.

O'Fallon boosts its Annual Revenues by \$250,000

O'Fallon's Challenge: How to Ensure It Receives Every Penny It Is Due?

O'Fallon has experienced significant growth over the past two decades, but the municipality did not find a proportionate increase in revenues from their utility franchisees and taxpayers. This income was badly needed to fund important infrastructure and capital development, particularly at a time when many other sources of income were declining because of the recession.

Local government officials suspected that the apparent shortfall in these utility revenues could be because addresses in recently annexed areas were missing from taxpayer records.

The City also faced key challenges in uncovering the extent of the problem when dealing with Ameren, their energy utility:

"They won't share their list of who they are collecting taxes from with us, so it seems as if a good number of people have fallen through the cracks."

Dean Rich, City Finance Director, City of O'Fallon

In the wake of industry consolidation, utility companies are growing even larger and have fewer resources available to work with local government, thus making it harder for City administrators to conduct a complete audit. Furthermore, O'Fallon's staff did not possess the experience or technical expertise to complete an exhaustive investigation of the issue, and state legislation had recently been introduced that allowed the City only a short window of opportunity in which to file claims for any missing tax revenues.

O'Fallon Partners With Azavar Government Solutions

O'Fallon chose to engage Azavar Government Solutions to conduct a comprehensive revenue audit in order to uncover the extent of the problem and correct any errors, recover past due taxes, and ensure accurate remittance of fees and taxes going forward. The City understood the benefit of outsourcing this demanding work to a company with specialist knowledge, expertise, and resources that Azavar Government Solutions offers its clients.

"Because this is such a detailed and technically complex task, the city employed Azavar Government Solutions to crosscheck the accuracy of address data held by utility providers and track tax and franchise fee receipts."

Gary L. Graham, Mayor, City of O'Fallon

Not being certain of the outcome of the audit in advance, O'Fallon also saw the wisdom of minimizing its risk by hiring a company that charges a contingency fee.

Azavar Government Resolves Critical Errors in O'Fallon's Tax Receipts

Azavar Government Solutions has conducted more than 500 audits and worked with over 100 municipalities, so we were well versed in resolving the problems facing O'Fallon's officials. We used our proprietary geocoding software to quickly pore through vast

quantities of taxpayer data, and in the process we uncovered over **2,600 instances where addresses had been incorrectly coded and were therefore not being taxed** – with some mistakes relating to addresses that had long been incorporated within the City's boundaries.

As well as uncovering and correcting errors in Ameren's address database, Azavar Government Solutions helped O'Fallon to establish a protocol for making certain that annexations are properly recorded with utility providers and ensuring correct assessment and remittance of tax payments in the future.

Azavar Government Solutions Brings Additional Benefits to O'Fallon

The City of O'Fallon also recognized the benefit that comes from partnering with other municipalities through our Municipal Audit Program, learning from the experiences of other local government officials and City Managers, and working together to share best practices.

"As a Past-President of the Illinois Municipal League, I understand the importance of bringing together Mayors and Cities from all corners of the state, especially for an issue as important as protecting and enhancing municipal revenues."

Gary L. Graham, Mayor, City of O'Fallon

Working with Azavar Government Solutions has not only provided O'Fallon with much-needed income at a time when municipal budgets everywhere are under pressure – it has also helped it ensure proper collection of all taxes and fees for its rapidly growing population, which is also important as it renegotiates each utility's franchise for use of the City's rights of way.

"I recommend Azavar Government Solutions to other municipalities because they provide a valuable service to local governments by supporting our efforts to maximize our municipal revenues ... Their findings provide O'Fallon with about \$250,000 a year of much-needed income at a time when many of our other revenue sources have been declining because of the recession. "

Gary L. Graham, Mayor, City of O'Fallon

The Village of Roselle Recoups \$53,000+ in Missing Fees and Taxes

Azavar Government Solutions uncovers errors in utility taxpayers' records, negotiates settlement of past due revenues, and ensures future Village income.

Building Long-Term Sustainability for the Village of Roselle

From its origins in the 1830s, Roselle has grown from being a farming center for corn and flax to become a flourishing residential community with a population of almost 23,000, according to US Census estimates. Economic development is a high priority for the Village as it works to establish a long-term sustainability plan, and the Village Board recognizes the importance of ensuring that Roselle receives every penny due from taxes and franchise fees as a means to survive the economic downturn and fulfill its duty of accountability to residents.

"Economic development involves maximizing our tax base and creating an inviting environment for new and existing businesses."

Mayor Gayle Smolinski, 2012 State of the Village Address

The Village of Roselle remains committed to providing a high level of community services and infrastructure, such as street improvements, updating technology, and major storm water repairs. But it also understands that revenue enhancement is vital to offset operational fund deficits that can otherwise result in higher taxes being levied on residents and businesses.

"That is the balance we strive to obtain: providing our core services plus making the improvements to our infrastructure. It is a delicate balancing act."

Mayor Gayle Smolinski, 2012 State of the Village Address

Roselle's Challenge: to Find and Stop Hidden "Revenue Leaks"

In common with many municipalities in rural areas, the Village of Roselle has experienced growth over time as new parcels of land have been annexed and as new residential and business developments have been established. Village managers were growing suspicious, however, that Roselle's income from taxes and franchise fees were not increasing at a corresponding rate. They realized that innovative measures were required to guard municipal revenues, and engaged Azavar Government Solutions to conduct separate audits of electric, gas, and telecommunications utilities.

"Given the number of annexations that had taken place in our community, we were concerned that we were not receiving all the revenues due to us from utility taxes. Indeed, we had seen a drop in revenue and wanted to know why that was happening."

Mayor Gayle Smolinski, Village of Roselle

As Azavar Government Solutions only charges municipalities for its services on a contingency fee basis, there was minimal risk to Roselle in the event that our team found no discrepancies. But there was also a significant potential benefit, because **the Azavar Government Solutions program ensures accurate computation of taxes and fees in the future**, as well as collecting missed income retroactively. Using proprietary software and specialized data mining techniques, our team of experts worked with utility companies to uncover errors in utility taxpayers' address records. Outsourcing this time-consuming and painstaking task allowed Roselle's officials to meet their duties of fiscal accountability without adding to the burden of day-to-day Village management.

"This kind of audit is an exercise that requires particular skills, something that we don't have on staff. Azavar Government Solutions provides this expertise, and they were prepared to take on Commonwealth Edison – a pretty big company – on our behalf!"

Mayor Gayle Smolinski, Village of Roselle

Azavar Government Solutions' Findings Return Over \$10,000 Per Year to Roselle

The Azavar Government Solutions team uncovered several instances in which taxable addresses had been miscoded, and **by correcting these errors we returned \$10,600 per year to the Village**. As well as working with the relevant utility companies to negotiate settlement of past due revenues, these corrections also enhanced future Village income, and a legal action generated by Azavar Government Solutions resulted in an **important legal precedent** being set for other Illinois municipalities facing similar revenue shortfalls.

"In my view, it is incumbent on any municipality that has a utility tax to make sure that the utility companies know that we are keeping an eye on them. Azavar has been a leader in the quest to make sure that municipalities are getting their fair share and that utility companies are fulfilling their obligations in collecting these taxes."

Mayor Gayle Smolinski, Village of Roselle

The Village of Roselle has taken major steps to tackle the challenges and financial limitations facing their community. The Azavar Government Solutions program uncovered and **returned missing fees and taxes amounting to \$53,000 over a period of five years** – an important contribution to Village efforts to meet its goals for fiscal sustainability and accountability to its residents.

"I would definitely recommend Azavar Government Solutions to any municipality that wishes to ensure that a utility tax is being distributed fairly among all the properties in their community and that they are receiving all the remuneration that their residents are paying."

Mayor Gayle Smolinski, Village of Roselle

 Request Info

Our No-Risk Contingency Fee Policy

"It was a big advantage for the City to work with a company that only charges a contingency fee, because we did not know what results we would get when we started the project."

— Mayor Gary Graham, City of O'Fallon
[Read More Testimonials](#)

6- Other Services



Once our comprehensive Audit rectifies the errors how do you make sure that all your revenue that has been recaptured stays in Hoffman Estates? That is where our Localgov Platform comes in.

Azavar and Localgov bring a **fresh, innovative, out-of-the box, and comprehensive** approach to the Village of Hoffman Estates tax and fee administration and customer user experience.

Localgov brings together the entire tax and fee administration experience for both groups of customers – the Village and its taxpayers. The Localgov Platform is first and foremost customer centric. Localgov customer service achieves 100% platform adoption through training of local government staff, educating taxpayers, working with taxpayers in the field, on the phone, or online, and being available 24/7/365 online via computer or mobile device. The Localgov platform is completely cloud based and therefore reducing internal management costs for the Village.

Using the Localgov platform and professional services provided by Azavar Technologies Corporation and Azavar Government Solutions (“Azavar”), Azavar shall act as the Village of Hoffman Estates’s third-party administrator for the Village’s selected taxes and fees such as Food and Beverage, Municipal Motor Fuel and Hotel/Motel including Short Term Rentals. Azavar Technologies Corporation manages all distribution, onboarding, deployment, production management, technology, and customer service functions. Azavar Government Solutions manages taxpayer filing and remittance compliance, taxpayer discovery and tax recovery, and ensures that Glynn Village maximizes its hotel and alcohol tax revenues, especially as the Village endeavors to collect taxes from the multitudes of “room remarketers”.

Together, the Azavar group of companies and its 40 team members will collaborate with the Village of Hoffman Estates based on the following program mission.

Azavar maximizes revenues, reduces costs, and strengthens community relationships the Village of Hoffman Estates, Illinois as its third-party administrator by delivering professional services, including compliance reviews, and automation of taxes and fees resulting in a streamlined and positive customer user experience.

Summary

Azavar Government Solutions' proposal for a comprehensive audit program is the best option for the Village of Hoffman Estates because of the audit accurateness and speed produced by our methodology and exclusive software tools. Value is brought to the Village by our audit expertise as delivered by our Expert Consultants Group, and the maximum recoveries and refunds that may be produced for the Village as represented by our positive reputation among Illinois municipalities, built on our success for maximum recoveries in the past.

Appendices

Appendix 1 – List of Municipalities and Utility Companies

In general, the list of providers in the Chicagoland area are ComEd, Nicor, North Shore Gas and Comcast. Downstate, the major provider for electric and gas is Ameren as well as Mid-American Water.

This is a representative list of municipalities compared to Hoffman Estates, as we serve over 250 municipalities in Illinois

Addison, Illinois

Bloomington, Illinois

Champaign, Illinois – Recently won RFP

Danville, Illinois

Decatur, Illinois

East St. Louis, Illinois

Joliet, Illinois

Hanover Park, Illinois

Mundelein, Illinois

Roselle, Illinois

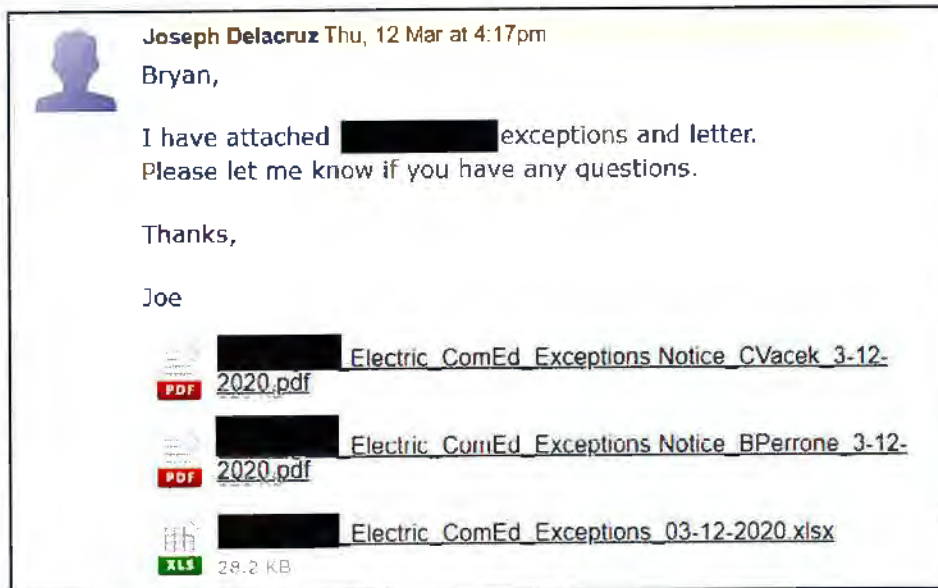
Schaumburg, Illinois

If further representative municipalities are needed, we will be happy to furnish them upon request.



Exhibit A

Azavar Government Solutions (Azavar) initiated the audit of ComEd in August 2019 by sending an audit notice to ComEd's representatives. After analyzing the data that ComEd provided, Azavar found addresses (exceptions) that possibly needed to be added to ComEd's database or needed to have the tax coding changed from another jurisdiction to City. Azavar provided this list of addresses to ComEd on March 12th, 2020 through our secure audit management platform. A screenshot of this communication is included below. The attachments are an excel spreadsheet of the exceptions and letters to the ComEd representatives alerting them to the issue.




This is the communication with ComEd alerting them to the addresses that need to be added to their database or have their tax coding changed to City



Exhibit B

ComEd responded to the exceptions that Azavar sent, preliminarily, on May 11th, 2020 and with their final determination and confirmation of correction on June 4th, 2020. The communication below from the taxpayer's agent to Azavar staff via our secure audit management platform explains that the tax coding for addresses, as a result of Azavar's audit findings, were changed by ComEd to remit tax to the City. The corrected addresses covered by this report are listed on the first page of this report. The changes in tax coding for the corrected addresses were made effective in May 2020 as a result of the Azavar audit.

Azavar Government Solutions will now begin to bill the City for the correction of these addresses.

 **Bryan Perrone** Thu, 4 Jun at 10:58am
Joe,
ComEd has confirmed that the [REDACTED] taxing area updates were made 5/29/20

Communication from ComEd alerting Azavar as to when the corrections to ComEd's system were made

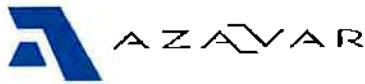


Exhibit C

ComEd provided usage data specific to City from May 2017 through April 2019. This data included the amount of tax remitted by revenue class (industrial, commercial, residential) and the number of accounts per revenue class for each month. This data allowed Azavar to calculate the average tax remitted per customer in each revenue class (tax remitted / number of accounts). Azavar used this data to calculate the average tax remittance per residential address and commercial address, and industrial address. Azavar calculated the average Residential customer tax remittance to be \$4.36 and the commercial customer tax remittance to be \$21.57 per month. This is the recovery amounts that will appear on the forward billing invoices for the corrected addresses.

Company	Revenue Month	Taxing Area Code	Taxing Area Name	Rev Class Code	Revenue Class	Total Usage	Tax Amount	Number of Accts	\$
	12 2017-06	823		5	Large Comm Indust	3,386,769.00	\$10,828.21	6	1,805
	12 2017-07	823		5	Large Comm Indust	2,271,231.00	\$7,299.99	5	1,460
	12 2017-08	823		5	Large Comm Indust	2,304,553.00	\$7,403.64	5	1,481
	12 2017-09	823		5	Large Comm Indust	2,086,382.00	\$6,706.06	5	1,341
	12 2017-10	823		5	Large Comm Indust	2065581	\$6,644.88	5	1,329
	12 2017-11	823		5	Large Comm Indust	1942088	6272.91	5	1,255
	12 2017-12	823		5	Large Comm Indust	2,466,870.00	\$7,924.35	5	1,585
	12 2018-01	823		5	Large Comm Indust	3,296,330.00	\$10,483.11	5	2,097
	12 2018-02	823		5	Large Comm Indust	3,614,532.00	\$11,529.90	6	1,922
	12 2018-03	823		5	Large Comm Indust	2,386,087.00	\$7,604.97	4	1,901
	12 2018-04	823		5	Large Comm Indust	3,234,349.00	\$10,350.17	6	1,725
	12 2018-05	823		5	Large Comm Indust	2,661,700.00	\$8,523.09	5	1,705
	12 2018-06	823		5	Large Comm Indust	1,866,951.00	\$6,018.56	4	1,505
	12 2018-07	823		5	Large Comm Indust	3,332,390.00	\$10,675.30	6	1,779
	12 2018-08	823		5	Large Comm Indust	3332390	\$10,675.30	6	1,779
	12 2018-09	823		5	Large Comm Indust	2,537,985.00	\$8,154.66	5	1,631
	12 2018-10	823		5	Large Comm Indust	2,273,893.00	\$7,331.86	5	1,466
	12 2018-11	823		5	Large Comm Indust	2,196,971.00	\$7,079.72	5	1,416
	12 2018-12	823		5	Large Comm Indust	2,546,586.00	\$8,171.03	5	1,634
	12 2019-01	823		5	Large Comm Indust	2542733	8163.71	5	1,633
	12 2019-02	823		5	Large Comm Indust	2526517	8108.93	5	1,622
	12 2019-03	823		5	Large Comm Indust	2655312	8519.67	5	1,704
	12 2019-04	823		5	Large Comm Indust	2309177	7431.39	5	1,486

City Usage data produced by ComEd. This data was used to calculate the average tax remittance per residential customer and commercial customer to calculate the tax recover that City will realize each month

Appendix 3 – Sample Utility Rate Analysis



CONFIDENTIAL AUDIT WORK PRODUCT
SUBJECT TO PROVIDER CONFIDENTIALITY AGREEMENT(S)

FOIA EXEMPTION 5 ILCS 140/7 (m)

PART B

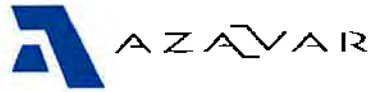
DATE: [REDACTED]
TO: [REDACTED] - Comptroller, Village of [REDACTED]
FROM: Samantha Hidalgo – Analyst, Azavar Government Solutions
SUBJECT: Electric Supply Findings – Audit Results and Recommendations Report

In [REDACTED] 2018, the Village of [REDACTED] (“The Village”) contracted Azavar Government Solutions (“Azavar”) to conduct an audit of its electric utility bills. Azavar collected electric bills from the Village to review for potential errors. Azavar then conducted an analysis of the Village’s electric bills to look for any potential overpayment in taxes, fees or other erroneous charges that the Village should not be paying. The purpose of this audit is to determine opportunities for savings in electric supply service compared to what the Village is currently paying.

Delivery Service

Azavar has found an opportunity to save money by switching the electric supply service. The Village currently has [REDACTED] as the default electric supplier. Exhibit A shows a chart with the associated account numbers, current supplier, contract end dates, estimated annual usage (kWh), and current energy rates that the Village is engaged in. Switching delivery suppliers will reduce the rates of all [REDACTED] accounts, lowering the average energy rate from \$0.0 [REDACTED] to \$ [REDACTED] per kWh. Exhibit B outlines the estimated annual savings per account once this change is implemented. With similar electric usage, this will ultimately reduce the Village’s annual electric supply charges by an estimate of [REDACTED] per annum.

Azavar will initiate this transition and communicate with [REDACTED] and the new supplier on your behalf to keep track of service and billing changes.



[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	Immediately	[REDACTED]	[REDACTED]

Exhibit B Note: Average current rate = [REDACTED] & average new rate = [REDACTED]
Estimated Annual Savings based on Estimated Annual Usage in Exhibit A

Findings and Recommendations

Pending your acceptance, Azavar will communicate with and the new supplier(s) to oversee this electric supply change to the accounts mentioned in Exhibit B. By these changes, the total estimated annual savings will be per annum effective immediately after the change.

You will receive a contract that provides all necessary documentation about the new electric supplier switch for each account, in which the Village board or authorized personnel will be required to sign. Azavar will provide documentation of the changes made and work completed once the billing process is initiated and all associated documents are signed.

Acceptance of Findings and Recommendations

The undersigned below accepts the findings of Azavar Government Solutions in accordance with the Agreement and the fee schedule outlined therein and authorizes Azavar to begin the implementation process of the findings outlined above.

Signature Tom Fagan

Name Tom Fagan

Date 5/10/2021

Appendix 4 – Sample Letter of Authorization

The following document is our Letter of Agency that is needed from the Village. This is reviewed during our initial call with the Village. Within that initial call we also set up a time for our staff to come to Village Hall and gather documents such as ordinances and copies of bills to expedite the process and use as little staff time as possible to gather those documents. Azavar prides itself on not using municipal staff time to complete our audit process.

[PLACE ON MUNICIPAL LETTERHEAD]

NOTICE: Notification of Municipal Tax Audit, Utility Audit, Franchise Audit, and Letter of Agency

Dear Fee & Taxpayer:

This letter serves as formal acknowledgement that this municipality has retained the services of Azavar Audit Solutions, Inc., to assist this municipality in conducting a full and comprehensive audit of each of our fees, taxes, and related expenses. It is through the audit that this municipality will ensure that all fee and taxpayers are and have been equally in full compliance with the tax code as set forth in all applicable State Statutes, local ordinances, and/or applicable franchise agreements or contracts.

The audit of taxes and/or fees will begin immediately effective the date below.

On behalf of this municipality and as our duly authorized and designated agent, Azavar is fully authorized to access all books and records and to act on the behalf of this municipality regarding all tax, fee, and billing related issues. Azavar will maintain contact with you and is the primary point of contact in these matters.

This authorization of agency will remain in effect until modified or revoked in writing by this municipality.

We look forward to your cooperation in this audit.

Sincerely,

Municipality Name: _____

Address: _____

Printed Name: _____

Title: _____

Signature: _____

Date: _____

Appendix 5 – Sample Invoice for Fees

Azavar Audit
 55 East Jackson Blvd.
 Suite 2100
 Chicago, IL 60604

Invoice

Date	Terms	Due Date
4/1/2021	Net 30	5/1/2021

Invoice #	152984
Payment	3 of 36
Project	[REDACTED]
Project Manager	Scott Shamberg

Bill To
[REDACTED]

Quantity	Description	Rate	Amount
1	Contingency payment as contracted (see attached itemization)	133.10	133.10
<p>Please remit payment to AZAVAR 55 East Jackson Blvd. Suite 2100, Chicago, IL 60604</p>			
For ACH Payment information please contact accounting@azavar.com		Total	\$133.10
		Payments/Credits	\$0.00
		Balance Due	\$133.10

Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75
Jul-20		ComEd	3	36	\$ 2.04	Jun-21		Commercial	Forward Billing	\$ 0.75

Payment Due to Azavar: \$ 133.10

* Utilities normally have a 30-day collection and 30-day remittance period. For example, bills collected during the month of January would likely be remitted to a community at the end of February or at the beginning of March. In this example January would be the collection period and February would be the remittance period. Azavar attempts to bill for an update when the funds generated by that update is first received by a community. That is Azavar bills at the end of the remittance period for which a community receives funds from an update.

CONTINGENT FEE PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("Agreement") is made and entered into by and between Azavar Audit Solutions, Incorporated, an Illinois corporation having its principal place of business at 55 East Jackson Boulevard, Suite 2100, Chicago, Illinois 60604 ("Azavar"), and the Village of Hoffman Estates an Illinois municipal corporation having its principal place of business at 1900 Hassell Road, Hoffman Estates, Illinois 60169 ("Customer").

1. SCOPE OF SERVICES

1.1 Subject to the following terms and conditions, Azavar shall provide professional computer, data audit, compliance management, and management consulting services ("Services") in accordance with the below statement of work. Azavar will render the services provided under this Agreement in a workmanlike manner in accordance with industry standards. The services and work provided shall be provided in substantial accordance with the below statements:

- (a) Azavar shall undertake a Municipal Audit Program on behalf of the Customer. As part of the Municipal Audit Program Azavar shall, on behalf of the Customer, separately review and audit each fee, ordinance, contract, franchise agreement, utility tax, locally administered taxes or fees, locally imposed occupation tax, ad valorem tax, excise tax, taxpayer, franchise fee, utility service fee, intergovernmental or other remittances to the Customer, and expense imposed by or upon the Customer within the Customer's corporate boundaries ("Audits") including, but not limited to local businesses, electric, gas, cable, telecommunications, refuse, and water providers ("Providers") on behalf of the Customer. Azavar shall review during the course of its work for the Customer, Customer ordinances, contracts, receipts, addresses and databases, including any of the aforementioned items, whether administered locally, by the state or federal government, by any other government or non-government organization, or by any other third-party, revenues relating to state and local sales/use/occupation taxes, including amusement taxes, business license/registration databases and revenue, and any other locally authorized fees and/or licenses, including liquor licenses. Azavar shall review and audit, food, beverage, and/or liquor taxes and/or fees and hotel, motel, bed, and/or transient occupancy taxes where applicable to the Customer. Azavar shall review and consult Customer on areas to enhance, increase, or maximize Customer revenues including, but not limited to, previous, existing, or new ordinances, agreements, or third-party contracts. Should the Customer own or operate its own utilities including electric, natural gas, water or other utilities, Azavar shall also review and audit the revenues and expenses of those Customer owned or operated utilities.
- (b) The purpose of each audit is to determine past, present, and future taxes, franchise fees, service fees, or any other recoveries, refunds, monies or revenue owed to the Customer that were not properly attributed to the Customer or were not properly paid or collected and to determine future taxes, franchise fees, and other monies owed to the Customer not previously counted so that Customer can collect these past, present, and future monies. Federal and Illinois state law, the Customer's own local ordinances and databases, and the franchise agreements, contracts or bills between Customer and Providers are used by Azavar to conduct the Audits and Azavar will present to Customer in writing during the course of the Audits findings of monies paid, due, or potentially due to the Customer for review by the Customer ("Findings"). Where already allowable by existing Customer contracts or agreements or Federal, State, or local laws or ordinances, this Agreement authorizes Azavar to correct any prospective errors and make a reasonable effort to collect monies due to the Customer under such applicable laws, local ordinances, or contracts. Azavar shall review Customer ordinances and shall present Findings to Customer to maximize Customer revenues as part of the Audits, and where such Findings requires a change into the future, Azavar will only implement such change after Customer has reviewed and agreed to in writing any such change. Customer understands that Findings may include, but are not limited to, changes to technology, organizational processes, process automation, Customer communication practices, Customer governing practices, and/or updates to local ordinances or the codification thereof. Customer agrees that any Findings, whether implemented in whole or in part by Azavar or the Customer, shall be fully compensable under Section 3 of this Agreement, including wherein the Findings require any amendments to an ordinance and wherein the ordinance is changed. Customer agrees to review any Findings within thirty (30) days.
- (c) Customer hereby represents that it is not engaged in any Audits as contemplated under this Agreement and shall therefore pay Azavar the fees set forth in this Agreement for any Findings made by Azavar. Customer agrees that it shall not initiate or engage in any Audits, changes to any ordinances related to any Audits, or execution or renewal of any contracts or franchise agreements related to any Audits as contemplated under this Agreement without Azavar's prior written consent.
- (d) In order to perform the Audits, Azavar shall require full access to Customer records and Provider records. Customer shall use its authority as necessary to assist in acquiring information and procure data from Providers. Customer agrees that it shall cooperate with Azavar, provide any documentation and records requested by Azavar, and provide continued access (prior to, during, and following any Audits) to documentation and records, and shall engage in meetings with Providers when requested by Azavar. Customer shall notify Azavar of any Provider requested meetings with Customer and shall include Azavar in said meetings.
- (e) During the course of each audit, Azavar may find that rather than being owed past due funds, the Customer owes funds erroneously paid to the Customer. In this case, Azavar will immediately terminate its participation for that specific Provider audit at no cost to the Customer and will document the error and provide the Customer with information necessary to correct the error. Azavar shall have no liability to Customer for these errors or actions arising from Azavar's or Customer's knowledge thereof.
- (f) Customer acknowledges that each Provider is a separate entity that is not controlled by Azavar and therefore Azavar cannot predict all the steps or actions that a Provider will take to limit its responsibility or liability during the audit. Should Customer negotiate, abate, cancel, amend, delay, or waive by any means all or a portion of funds identified as payable to Customer during an audit, Customer shall pay all Azavar expenses and fees on a time and materials basis for that audit in addition to any applicable contingency fees for any Findings that were identified by Azavar or by its Audits;
- (g) The first audit start date is expected to be within no later than thirty (30) days from the date of this Agreement unless changed and approved by the Customer's Audit Primary Contact and Liaison;
- (h) Each audit is expected to last at least six (6) months. Each subsequent audit will begin after payment terms and obligations have been satisfactorily met from previously completed Audits however overlapping audit work may take place at the discretion of Azavar. Audit timelines are set at the discretion of Azavar;
- (i) Audit status meetings will be held regularly via phone, email, or in person throughout the course of the Audits between Azavar and the Customer's Primary Contact and Liaison and will occur approximately every quarter;

- (j) Jason Perry, Municipal Audit Program Manager, and Azavar specialists will be auditors under this agreement. All Azavar staff or subcontractors shall be supervised by the Azavar Program Manager.

1.2 Customer agrees to provide reasonable facilities, space, desks, chairs, telephone and reasonably necessary office supplies for Consultants working on Customer's premises as may be reasonably required for the performance of the Services set forth in this Agreement and in any Exhibit hereto. Customer will assign and designate an employee to be the Audit Primary Contact and Liaison. The Customer's Audit Primary Contact and Liaison will be the final decision maker for the Customer as it relates to this audit and will meet with Azavar staff on a regular basis as necessary. Lack of participation of Customer staff, especially at critical milestones during an audit, will adversely affect the audit timeline and successful recovery of funds. Customer's staff shall be available for meetings and participation with Providers to properly verify records and recover funds.

2. **INDEPENDENT CONTRACTOR.** Azavar acknowledges and agrees that the relationship of the parties hereunder shall be that of independent contractor and that neither Azavar nor its employees shall be deemed to be an employee of Customer for any reason whatsoever. Neither Azavar nor Azavar's employees shall be entitled to any Customer employment rights or benefits whatsoever. Customer shall designate Azavar as Power of Attorney with the Illinois Department of Revenue solely for the purpose of reviewing data provided by the Illinois Department of Revenue.

3. **PAYMENT TERMS.**

3.1 Customer shall compensate Azavar the fees set forth in this agreement on a contingency basis. If applicable, Azavar shall submit an invoice to Customer on a monthly basis detailing the amounts charged to Customer pursuant to the terms of this Agreement. Any invoice not disputed in writing by Customer within thirty (30) days after the receipt of such invoice shall be considered approved by the Customer. Customer shall remit payment to Azavar in accordance with the Local Government Prompt Payment Act. If Customer defaults on payment of any invoice that is not disputed in writing by Customer within thirty (30) days after the receipt of such invoice Azavar, at its discretion, may accelerate all payments due under this Agreement and seek recovery of all estimated fees due to Azavar based on Findings. Azavar shall be entitled to recover all costs of collection including, but not limited to, finance charges, interest at the rate of one percent (1%) per month, reasonable attorney's fees, court costs, and collection service fees and costs for any efforts to collect fees from the customer. Contingency payment terms are outlined below. If Customer negotiates, abates, cancels, amends, delays, or waives, without Azavar's written consent, any tax determination or Findings that were identified by Azavar or by its Audits where such Findings were allowed under the law at the time the tax determination or Findings were made, Customer shall pay to Azavar applicable contingency fees for the total said tax determination or Findings at the rates set forth below and for the following thirty-six (36) months. If Customer later implements during the subsequent thirty-six (36) months any Findings Customer initially declined based on Azavar programs or recommendations, Azavar shall be paid by Customer its portion of the savings and/or recoveries over the following thirty-six (36) months at the contingency fee rates set forth below.

3.2 Customer shall pay Azavar an amount equal to thirty-nine (39) percent of any new revenues or prospective funds recovered per account or per Provider for thirty-six (36) months following when funds begin to be properly remitted to the Customer. In the event Azavar is able to recover any retroactive funds, any additional savings or revenue increases for any time period, or any credits at any time, Customer will pay Azavar an amount equal to thirty-nine (39) percent of any retroactive funds, savings, and fair market value for any other special consideration or compensation recovered for or received by the Customer from any Provider. All contingency fees paid to Azavar are based on determinations of recovery by Azavar including Provider data and regulatory filings. All revenue after the subsequent thirty-six (36) month period for each account individually will accrue to the sole benefit of the Customer.

3.3 As it pertains to Customer expenses, utility service bill and cost Audits, Customer shall pay Azavar an amount equal to thirty-nine (39) percent of prospective savings approved by Customer for thirty-six (36) months following the date savings per Provider is implemented by Azavar or Customer. In the event Azavar is able to recover any refunds or any credits at any time, Customer will pay Azavar an amount equal to thirty-nine (39) percent of said refunds or credits recovered for or received by Customer from any Provider. All contingency fees paid to Azavar are based on determinations of savings by Azavar including Provider data and regulatory filings. All savings after the subsequent thirty-six (36) month period for each service provider individually will accrue to the sole benefit of the Customer.

3.4 To the extent that any payment is due to Azavar after April 30, 2025 (the "Illinois Date"), this Section 3.4 shall apply:

- (a) Azavar shall estimate the total amount due after the Illinois Date and shall bill Customer for this amount on or before one (1) day before the Illinois Date, with a due date of the Illinois Date.
- (b) Notwithstanding the due date of the Illinois Date, Azavar shall toll all contractual and statutory remedies (including the Local Government Prompt Payment Act.) for nonpayment until sixty (60) days following the Illinois Date.
- (c) If Customer signs a new contract (or contract amendment) with Azavar on or before sixty (60) days following the Illinois Date, payment terms shall revert those that would have applied in the absence of this Section 3.4.
- (d) If Customer does not sign a new contract (or contract amendment) with Azavar on or before sixty (60) days following the Illinois Date and has not paid the bill that was due on or before one (1) day before the Illinois Date within sixty (60) days following the Illinois Date, Customer shall be in default, retroactive to the Illinois Date and agrees that the Local Government Prompt Payment Act is applicable and has not been waived by Azavar.
- (e) Both Azavar and Customer agree that neither party is admitting or acknowledging that 65 ILCS 5/8-1-7(a)-(b) is or is not applicable to this Agreement and both Azavar and Customer agree that this Agreement shall not be used in support of an argument for or against such applicability.

4. **CONFIDENTIAL INFORMATION**

4.1 Each party acknowledges that in the performance of its obligations hereunder, either party may have access to information belonging to the other which is proprietary, private and highly confidential ("Confidential Information"). Each party, on behalf of itself and its employees, agrees not to disclose to any third party any Confidential Information to which it may have access while performing its obligations hereunder without the written consent of the disclosing party which shall be executed by an officer of such disclosing party. Confidential Information does not include:

(i) written information legally acquired by either party prior to the negotiation of this Agreement, (ii) information which is or becomes a matter of public knowledge, (iii) information which is or becomes available to the recipient party from third parties where such third parties have no confidentiality obligations to the disclosing party; and (iv) information subject to disclosure under Illinois' Freedom of Information Act (5 ILCS 139/1 *et seq.*).

4.2 Azavar agrees that any work product or any other data or information that is provided by Customer in connection with the Services shall remain the property of Customer, and shall be returned promptly upon demand by Customer, or if not earlier demanded, upon expiration of the Services provided under the Statement of Work hereto.

5. **INTELLECTUAL PROPERTY**

5.1 No work performed by Azavar or any Consultant with respect to the Services or any supporting or related documentation therefor shall be considered to be a Work Made for Hire (as defined under U.S. copyright law) and, as such, shall be owned by and for the benefit of Azavar. In the event that it should be determined that any of such Services or supporting documentation qualifies as a "Work Made for Hire" under U.S. copyright law, then Customer will and hereby does assign to Azavar, for no additional consideration, all right, title, and interest that it may possess in such Services and related documentation including, but not limited to, all copyright and proprietary rights relating thereto. Upon request, Customer will take such steps as are reasonably necessary to enable Azavar to record such assignment. Customer will sign, upon request, any documents needed to confirm that the Services or any portion thereof is not a Work Made for Hire and/or to effectuate the assignment of its rights to Azavar.

5.2 Under no circumstance shall Customer have the right to distribute any software containing, or based upon, Confidential Information of Azavar to any third party without the prior written consent of Azavar which must be executed by a senior officer of Azavar.

6. **DISCLAIMER**

EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, AZAVAR DOES NOT MAKE ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES RENDERED UNDER THIS AGREEMENT OR THE RESULTS OBTAINED FROM AZAVAR'S WORK, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL AZAVAR BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR INDIRECT DAMAGES, OR FOR ACTS OF NEGLIGENCE THAT ARE NOT INTENTIONAL OR RECKLESS IN NATURE, REGARDLESS OF WHETHER IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. CUSTOMER AGREES THAT AZAVAR'S LIABILITY HEREUNDER FOR DAMAGES, REGARDLESS OF THE FORM OF ACTION, SHALL NOT EXCEED THE TOTAL AMOUNT PAID FOR THE SERVICES GIVING RISE TO THE DAMAGES UNDER THE APPLICABLE ESTIMATE OR IN THE AUTHORIZATION FOR THE PARTICULAR SERVICE IF NO ESTIMATE IS PROVIDED.

7. **TERMINATION**

7.1 This Agreement shall be effective upon execution by both parties and shall remain in effect for a period of sixty (60) months thereafter (the "Initial Term"). This Agreement shall automatically renew on an annual basis (the "Renewal Terms") each year and shall continue thereafter until terminated by Customer or Azavar. Unless earlier terminated in accordance with Section 7.2 below, this Agreement shall be effective from the date first written above and shall continue thereafter until terminated upon 90 days written notice by Customer or Azavar.

7.2 Termination for any cause or under any provision of this Agreement shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either party.

7.3 The provisions set forth above in Section 3 (Payment Terms), Section 4 (Confidential Information), and Section 5 (Intellectual Property) and below in Section 9 (Assignment), and Section 10 (Use of Customer Name) shall survive termination of this Agreement.

8. **NOTICES.** Any notice made in accordance with this Agreement shall be sent by certified mail or by overnight express mail:

If to Azavar
General Counsel
Azavar Audit Solutions, Inc.
55 East Jackson Boulevard, Suite 2100
Chicago, Illinois 60604

If to Customer
Finance Director
Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169

9. **ASSIGNMENT.** Neither party may assign this Agreement or any of its rights hereunder without the prior written consent of the other party hereto, except Azavar shall be entitled to assign its rights and obligations under this Agreement in connection with a sale of all or substantially all of Azavar's assets.

10. **USE OF CUSTOMER NAME.** Customer hereby consents to Azavar's use of Customer's name in Azavar's marketing materials; provided, however, that Customer's name shall not be so used in such a fashion that could reasonably be deemed to be an endorsement by Customer of Azavar unless such an endorsement is provided by customer.

11. **COMPLETE AGREEMENT.** This Agreement, along with each Statement of Work attached hereto from time to time, contains the entire Agreement between the parties hereto with respect to the matters specified herein. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof. This Agreement shall not be amended except by a written amendment executed by the parties hereto. No delay, neglect or forbearance on the part of either party in enforcing against the other any term or condition of this Agreement shall either be, or be deemed to be, a waiver or in any way prejudice any right of that party under this Agreement. This Agreement shall be construed in accordance with the laws of the State of Illinois and the parties hereby consent to the jurisdiction of the courts of the State of Illinois.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate originals by their duly authorized representatives as of the date set forth below.

AZAVAR AUDIT SOLUTIONS, INC.

CUSTOMER VILLAGE OF HOFFMAN ESTATES, ILLINOIS

By _____

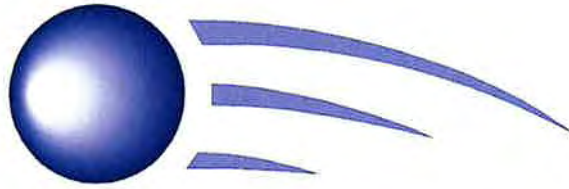
By _____

Title _____

Title _____

Date _____

Date _____



TROY & BANKS



UTILITY BILLS, TELECOMMUNICATIONS, AND REVENUE AUDIT SERVICES REQUEST FOR PROPOSALS

Proposals Due: May 21, 2021 2:00 p.m. (CST)

CONTACT:

Thomas T. Ranallo, President
Troy & Banks, Inc.
2216 Kensington Avenue
Buffalo, New York 14226
(716) 839-4402 / (716) 839-4452 fax
tranallo@troybanks.com
www.troybanks.com

May 21, 2021

Ms. Rachel Musiala
Director of Finance
Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169
e-mail: Rachel.Musiala@hoffmanestates.org

***RE: Utility Bills, Telecommunications,
and Revenue Audit Services***

Dear Ms. Musiala:

It is with great pleasure that Troy & Banks, Inc. ("T&B") offers to serve the Village of Hoffman Estates, Illinois ("Village") at the same high level of service and professionalism that makes Troy & Banks the choice of thousands of government and private clients.

We therefore gladly submit this Response to the Request for Proposals for Utility Bills, Telecommunications, and Revenue Audit Services as requested by the Village. We are confident that the Village of Hoffman Estates will conclude that our firm is the most experienced and qualified firm to also conduct this audit. We have a proven track record in auditing and negotiating/recovering savings related to the billing of utility and telecommunications services.

Troy & Banks shall provide a review of utility cost and municipal franchise and tax audit services. The purpose of these services will be to reduce utility costs through review of the Village's utility bills and/or increase revenue for the Village through review of tax collections and franchise agreements.

T&B will negotiate refunds with suppliers on behalf of the Village and identify on-going savings opportunities which can be implemented by T&B on behalf of the Village.

The energy reviews shall concentrate on rates and services, and not the amount of energy consumed nor recommendations to switch providers or proposed new taxes or fees. The energy review will include Village energy billings for streetlights, electric, telecommunications, water/sewer, and heating fuels such as natural gas, or other fuels, along with any other utilities Troy & Banks might recommend.

The reviews will cover the maximum period that refunds can be obtained as allowed by law and regulation. Quantitative and narrative reports shall be provided that indicate work accomplished and results, including refunds recovered and savings produced.

In 2017, and again in 2020, TIPS (The Interlocal Purchasing System) awarded our firm a contract for utility and phone bill auditing. (Contract #200601). We have noted that the Village is not currently a member but wanted to offer you the TIPS pricing. The Township

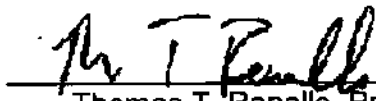
Village of Hoffman Estates, Illinois
Utility Bills, Telecommunications, and Revenue Audit Services

and Village of Schaumburg IL, as well as the Schaumburg School District 54 are all TIPS members. Information regarding TIPS is included in the Attachments section.

Troy & Banks understands, agrees with, and accepts the scope of work and accepts all other requirements, terms, and conditions set by the Village of Hoffman Estates for the Utility Bills, Telecommunications, and Revenue Audit Services.

I appreciate the opportunity to submit this proposal for your review. I can be reached at 1-800-499-8599 or tranallo@troybanks.com. Thank you.

Sincerely,
TROY & BANKS, INC.

BY: 
Thomas T. Ranallo, President

TTR/mbp

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2. Sample Report of Findings
3. Sample Utility Rate Analysis
4. Sample Letter of Authorization
5. Sample Invoice for Fees

ATTACHMENTS:

Troy & Banks / TIPS Information
TIPS Membership Benefits
How to Become a TIPS Member
TIPS Agreement – Blank
TIPS Agreement – Village of Hoffman Estates IL

Qualifications

1. Short description of Troy & Banks:

Founded in 1991, Troy & Banks is a privately held, independent energy and telecommunications consulting company with corporate offices located in Buffalo, NY and incorporated in the State of New York. T&B is a S-Corporation and has been operating as a legal entity since June 23, 1994. We do not utilize sub-consultants.

Working for the public sector is not new for T&B. Since 1991, we have partnered with over 20,000 clients. T&B has successfully represented over 3,500 cities, towns and villages, 2,500 public school districts, 1,000 colleges/universities, 1,000 hospitals, 500 library systems and more than 1,500 state agencies. As you will see, the size of the institution has never presented an obstacle for Troy & Banks.

Among its over 20,000 clients, T&B has successfully performed audits for thousands of cities, counties, public school districts, and universities. We are proud to note that our current municipality client list includes the Cities of Modesto, Clayton, Lafayette, Montebello and Manhattan Beach CA; New Haven and Shelton CT; Fort Lauderdale, Casselberry and Port Orange FL; Evansville IN; Elizabeth NJ; Utica, Newburgh, Olean, and Ithaca NY; Heavener and Woodward OK; Scranton PA; Virginia Beach, Colonial Heights, Suffolk, Newport News and Poquoson VA; Lewisville TX; and Lewisburg and Morgantown WV, to name just a few.

We have provided a high level of service and professionalism to thousands of clients. Just since January 2018, we have recovered overcharge refunds for our clients in excess of \$1.5 million arising from utility and telecom billing errors and annual cost reductions in excess of \$1.4 million.

2. Details that make Troy & Banks different from other vendors:

Unlike other firms that offer "utility and telecommunications billing services," Troy & Banks actually cross-checks the billings against actual physical inspection and inventory of a Village's facilities.

The result is an outstanding track record of delivering actual cash refunds and cash credits to cities, counties, school districts and other government customers plus substantial and verified (not theoretical) future savings. (We are aware of the "base line" theories used by other companies to "project" savings that are never actually realized.) Troy & Banks thoroughly documents and proves actual savings – not theory.

The T&B "team" has successfully produced the following work product for our clients:

- * Negotiated over \$125 million in utility and telecommunication refunds
- * Reduced our clients' expenses in excess of \$600 million
- * Designed and negotiated hundreds of specialized contracts
- * Secured over \$5 million in payments for our clients through electric curtailment programs

Our consultants have:

- * Served with various State Public Service Commissions
- * Served as municipal account managers
- * Testified in Public Service Commission rate case proceedings
- * Executed over 1,000 electrical engineer site surveys
- * Executed over 5,000 telecommunications demark site surveys
- * Represented major corporations and associations with respect to natural gas transportation contracts, cogeneration development, electric and natural gas litigation, hydroelectric power allocations, international trade law enforcement, telecommunication tariffs, contracts before government regulatory bodies
- * Represented clients in a number of electric rate cases on a variety of avoided cost and rate matters
- * Appeared and won contested matters before the Federal Communications Commission

Troy & Banks will collect all pertinent vendor account records including invoices and contracts for services. We will perform a full inventory audit to ensure that all services are being utilized in the most efficient and effective manner.

We specialize in forensic bill analysis to determine billing errors. In some circumstances these mistakes have been ongoing for months or even years. We make sure those mistakes are corrected immediately to reduce your costs and secure any refunds due.

3. Geographic areas in which Troy & Banks has performed work – Appendix 1:

Troy & Banks has performed work throughout the United States and Canada. Please see Appendix 1 for a list of Illinois clients for whom we have performed work, along with the names of the utility company suppliers.

4. Sample report of findings – Appendix 2:

A sample report of findings is included as Appendix 2.

Project Team

Troy & Banks has clearly assembled a first-class consulting team with a proven track record of success. Our firm will bring the knowledge, professionalism and expertise of our team to effectively and successfully handle all work required under this project.

An intricate part of Troy & Banks' success is the implementation of a "team approach" of specialists. Our staff of 17 has accumulated over 300 years of combined professional, "in the field", auditing and consulting experience. What distinguishes our firm from others is our comprehensive staff which includes former utility and telecommunication company executives, managers and field personnel. Our regulatory consultants worked extensively at the New York State Public Service Commission (PSC) in both the utility and telecommunications divisions.

Troy & Banks has a proven track record in auditing, negotiating, and recovering overpayments related to the billing of utility services. T&B has extensive knowledge of and experience in the utility industry, including proven experience dealing with a wide variety of utility and telecom carriers in the United States.

The team for the Village of Hoffman Estates will consist of the following key personnel:

Thomas T. Ranallo, President and Owner

- Founder - Troy & Banks, Inc.
- 30 years of management experience in the utility and telecom-auditing fields
- Successfully negotiated over \$50 million in over billing refunds
- Successfully managed multiple site, multi-faceted audits for the following large clients: Port Authority of New York & New Jersey, AMTRAK, New York Stock Exchange, Bausch & Lomb, Village of Albany, City of Buffalo, U.S. Postal Service - Northeast Region, M&T Bank, Niagara Frontier Transportation Authority, HSBC Bank, Buffalo and Rochester City School Districts, and Off-Track Betting Corporation - Capital & Western Region.
- He has had professional consulting training from the Center for Communications Management Information including courses in the following:
 - 1998 – *"Telecommunication Audit Secrets"* – Covering rules and regulations, options with competing providers and auditing essentials
 - 1999 & 2002 – *"Advanced Auditing Sessions"* - Covering frame relay technology, FCC's de-tariffing order, traffic analysis essentials and precision auditing exercises
 - 2002 – *"Frame Relay Service and Billing"* - Covering frame relay technology
- Institute on Public Utility Law
 - 2006 – This continuing educational conference included sessions on Network Reliability and Security, status of Telecom Competition Three, Wind Energy, Fixed-Price Commodity Option, and Utility Land Use Issues

Keith Wiese, Pre-Audit and Audit Coordinator

- Organize audit data
- Order utility and telecommunication histories and customer service records
- Coordinate the distribution of audit information to the appropriate auditors
- Perform follow-up work for the auditors
- Verify applicable credits and refunds
- 27 years with Troy & Banks

Edgar Fostveit, Regulatory Consultant

- 26 years with the New York State Public Service Commission, first as an investigator, and later as a hearing officer (15 years).
- Ruled on gas and electric complaints submitted to the Commission by consumers, and he is also experienced in tariff and Public Service Law.
- Served as a consultant for the Pennsylvania Public Utility Commission and Vermont Public Service Commission, and has provided frequent testimony in three states as either a staff member or consultant, in cases involving utilities.

Energy Team:

JUSTIN D. RAYBECK, Energy Analyst

- 17 years' experience in the deregulated utilities industry
- Energy Consultant - analyzes rate and billing histories for New York State investor-owned utilities and municipal utility providers, as well as out-of-state providers
- Researches and identifies over-billings, preparing necessary supporting evidence for over-billing claims
- Prepares discrepancy claim letters, documenting the over-billing, as well as developing status reports
- Knowledge of tariffs for various utilities assures clients that they are being placed on the most appropriate and money-saving rate
- Managed audits for clients such as:
 - Port Authority of NY & NJ
 - City of Buffalo NY
 - New York State Police Department
 - New York State Thruway Authority
 - Ohio Department of Transportation
 - City of Phoenix AZ
 - New York Stock Exchange
 - Onondaga-Cortland-Madison BOCES

JAMES CAMPAGNA, Street Light Specialist

- 14 years' experience in the Street Lighting sector
- Prepares inventories of all street lighting accounts and verifies correct billing for each light
- Researches and identifies over-billings, preparing necessary supporting evidence for over-billing claims
- Prepares discrepancy claim letters, documenting the over-billing, as well as developing status reports
- Knowledge of tariffs for various utilities assures clients that they are being placed on the correct street light rate
- Managed Street Light Audits for clients such as:

Geneva City Schools NY
City of Virginia Beach VA
James City County VA
City of Utica NY

City of Buffalo NY
City of Syracuse NY
City of Olean NY
Village of Royal Palm Beach FL

RICK STAYCHOCK, Client Services – Street Light Auditor

- Undergraduate and Graduate education in Geography and Planning with GIS coursework
- Utilization of GIS technology to create digital streetlight map inventories with desired attributes and photography for municipal clients
- Researches and identifies over-billings to prepare supporting evidence for over-billing claims
- Prepares discrepancy claim letters, documents over-billing, as well as development of status reports
- Since 2013 has conducted Street Light Field Audits for clients such as the Cities of Pleasanton, CA, Macon-Bibb, GA, City of Huntington, WV

JACK RANALLO, Consultant – Street Light Auditor

Relevant Projects -

- Four years' experience in the Street Lighting sector
- Organizes GIS street light inventories
- Performed Street Light Audits for clients such as:
 - City of Allentown, PA
 - Village of Great Neck, NY
 - City of Macon-Bibb, GA
 - Town of Watertown, CT
 - Town of Holden, MA
 - Town of Rockland, MA

LYNN WORKMAN KERWIN, Water Analyst

- 10 years' experience in the Water Auditing sector
- Reviews billing history, looking for excessive water consumption and spikes in water usage
- Researches and identifies over-billings, preparing necessary supporting evidence for over-billing claims
- Prepares discrepancy claim letters, documenting the over-billing, as well as developing status reports
- Knowledge of tariffs for various water agencies assures clients that they are being placed on the correct water rate
- Managed Water Audits for:
 - Port Authority of NY & NJ
 - Virginia Beach Public Schools, VA
 - New York Stock Exchange
 - St. Lawrence University
 - Suffolk County Community College
 - Maidstone, Inc.

Telecommunications Team:

ADARSH MAHESHWARI, Senior Telecom Expense Manager

- 15 years' experience as a telecommunication auditor
- Vast knowledge and familiarity in Telecom Expense Management (TEM), telecom auditing, tax auditing, mobile device management (MDM), and Telecom LifeCycle Management
- Industry Customers include government, healthcare, retail, hospitality, aviation, real estate, banking, insurance, finance, oil and gas, transportation, education and more
- Focus on achieving highest savings, improved visibility of spend for clients
- In-depth knowledge of handling invoices from all service providers
- Overall savings of over \$50 million to help clients reduce costs and gain control of telecom billing

GARY L. SHARP, Senior Telecommunications Audit Manager

- Former New York Telephone employee
- 26 years' experience managing large scope telecommunication audits
- Specialized in telecommunications consulting for numerous brokerage firms and financial institutions, including: Kidder Peabody, Shearson Lehman, Bear Sterns, First Boston, A.G. Edwards, and CBOE
- Successfully negotiated over \$20 million in over-billing refunds

JOHN J. COYNE, Senior Telecom Auditor

- 30 years' experience as a telecommunication auditor
- Specializes in billing verification and IT Financial Management
- Handles more complex telephone service and billing complaints
- Worked for various telecommunications companies in marketing/sales and managing of installation and repair work

Additional Support Staff:

The following individuals are responsible for the coordinating of office and support work. Their primary responsibilities in support of the audit process are records attainment and retention, data entry and management, application development and claim generation: Molly Pancurak, Brook Perona and Sarah Sauer.

As you can see from the descriptions above, all audit staff but Jack Ranallo have had well over five years of experience in providing audit services, including all of the following:

1. Conducting bill reviews for utilities;
2. Reporting project status, findings, and recommendations in writing and discussing these items verbally with management, technical, and non-technical personnel;
3. Supervising and being responsible for the work of technical and non-technical personnel to accomplish energy and telecom bill reviews;
4. Negotiating and securing refunds from suppliers, resulting from billing errors;

5. Recommending, implementing, and verifying on-going cost reductions; and
6. Managing multiple-site, multi-faceted review projects for large organizations.

Troy & Banks will be aggressive and diligent in obtaining all refunds due and cost savings that can be realized and have been approved by the Village of Hoffman Estates. We know that mere identification of incorrect rate schedules is not considered an aggressive and diligent review program.

Scope of Project

It is the understanding of Troy & Banks that the Scope of Work will include a utility and telecommunications review, as well as maximizing municipal revenues.

Utility and Telecommunications Review – T&B shall:

1. Review/analyze energy billings, telecommunications billing and historical data for all types of utilities including, but no limited to, electric, telecommunications, and heating fuels such as natural gas, or other fuels. Information to be reviewed shall include invoices, rates and tariffs from all providers to whom the Village pays for services. The goal will be to verify the accuracy of the Village's monthly utility statements when compared to contracted agreements, tariffs, and customer service records. Troy & Banks shall provide services for analysis of all types of utilities mentioned in this RFP.
2. Perform a comprehensive analysis of billing information to obtain refunds and cost savings. T&B will employ the procedures included in the "Energy Bill Audits Service" section to accomplish our review. The results of the review are to identify available credits and refunds that may be due to the Village of Hoffman Estates.

Maximizing Municipal Revenues – T&B shall:

1. Conduct an audit of the Village of Hoffman Estates' tax collections with various retail establishments, utilities collecting taxes and/or fees on the Village's behalf, and other revenue sources as to be determined.
2. Review all ordinances relating to taxes to ensure compliance with all Federal, State and Local laws; whether any residents and businesses currently within the boundaries of the Village are missing from the tax rolls; and, the previous year's data to verify the completeness of the Village's collection efforts and /or to pursue the collection of missed revenues.

During the course of the contract, Troy & Banks will produce MONTHLY reports documenting our efforts to date. The reports will include the following:

1. Accomplishments to date.
2. Next-step options and timeline for completion.
3. Open items needing attention, with identification of the responsible party that must address those open items.
4. Updates on issues requiring Village of Hoffman Estates attention.

Conflicts of Interest

Troy & Banks has no conflicts of interest or associations with Village personnel or any of the companies being audited.

Energy Bill Audits Service

1. Proposed schedule of activities and timing:

T&B is committed to ensuring a timely and successful completion of every audit undertaken. All our audits are monitored by an audit coordinator and tracked in our database. This helps to ensure that all audits are progressing smoothly. T&B also has a team dedicated to following up on requests for billing history, as well as claims submitted on your behalf, ensuring that requests for information and claims are responded to promptly.

Troy & Banks will audit the Village utility billing. We shall perform an audit of the utility vendors' portal and Village records to ensure that the bills submitted by its utility service providers are accurate and appropriate according to existing laws.

In general, the following process will be followed:

1. Analyze utility invoices
2. Perform a physical inventory of equipment at each location if needed
3. Provide reconciliation and discrepancy list as a result
4. Report claims on the audit results

As our clients' account and billing relationships are analyzed on a rolling basis as data is delivered to our staff, we find that our biggest obstacle is not workload or available hours but rather collecting a complete data set from the carrier. We estimate that from the date we have received all the requested data, our analysis is completed within 90 days and a claim is presented within 120 days after the analysis is completed.

Obviously, the amount of time it takes the carrier to review the claim is beyond our control, but so long as our clients are able to work with us in responding to any questions from the carrier, we can typically get to the "refund/no refund" decision within six months. Of course, if the carrier "defends" against the claim, it takes a much longer time to reach a resolution, assuming one can be reached.

Specifically:

- Collection of billing and contracts within 45 days
- Audit of services within 3 months
- Refund and claims submitted within 2 – 3 months
- Resolution of claims throughout the audit
- Implementation of approved changes – as approved

The schedule of the audit will be tailored to the needs of the Village of Hoffman Estates. Typically, we follow a three-phase process - an organizational phase (phase 1), an audit phase (phase 2), and a claims resolution phase (phase 3). They are described as follows:

PHASE I — AUDIT SET UP (Approx. 45 days)

- Obtain from the Village account numbers from utility and telecommunications vendors. If online information is not available, then obtain one (1) monthly copy of all invoices.
- Obtain from the Village all contracts executed with the utility and telecommunications vendors.
- Collect Customer Service Records and historical transcripts from the designated vendors.
- Organize all invoice and data into T&B's specialized software.

PHASE II — DETAILED AUDIT (Approx. 2-8 weeks)

- Conduct a physical inventory (if necessary) of all services at the Village's facilities. This visit would be coordinated with the proper Village personnel.
- T&B shall perform a detailed audit of the Village's utility and telecommunications accounts. Our analysts shall review all monthly charges rendered by utility and telecommunications providers for potential savings or billing discrepancies. Our software is designed to check for billing errors in present tariff rates, discounts, contracts, or vendors. If over-billing has occurred, T&B shall prepare a claim letter documenting the findings.

**PHASE III — REFUND CLAIM NEGOTIATIONS
& COST SAVINGS IMPLEMENTATIONS** (Approx. 4-8 weeks)

- T&B will report any errors finds to the appropriate vendors with supporting evidence and requests for reimbursement. These reports shall be given simultaneously to the appropriate customer contact for the Village.
- Negotiate any refund claims (including applicable interest) directly with the utility and telecommunications vendors as provided by law and regulation, and consistent with the time periods established by applicable statutes of limitation. Confirm that all erroneous charges are removed from future billings. T&B will prepare a statement of the amounts of each credit and an estimated date of receipt of the credit or refund.
- Report any future reduction recommendations to the appropriate Village contact for acceptance or rejection.
- Report to utility and telecommunications vendors any future savings recommendations accepted and approved by the Village.

The following is a general time schedule for the scope of work for the audit:

- A. Analyze historical account billing for accuracy of charges for the various vendors:
✓ We will be able to start the audit immediately upon notification of award by the Village. It will take approximately 30-45 days to obtain the historical account billing. As soon as account information is received, we will start the analysis. It will then take about two to eight weeks to conduct the audit of all monthly charges.
- B. Prepare a written report to the Village on any billing inaccuracies or discrepancies:
✓ It will take about two weeks to prepare the written report on any billing inaccuracies or discrepancies following our detailed audit.

- C. Prepare a written report on the recommended steps for the Village to take to correct billing inaccuracies and procure refunds, if applicable:
- ✓ We estimate about two weeks to prepare the written report on the recommended steps for the Village to take, if applicable, following our analysis.
- D. Prepare a detailed list of recommendations, including implementation plan and estimated cost savings for each recommendation:
- ✓ T&B will prepare the detailed list of recommendations at the conclusion of our audit.
- E. Assist the Village in correcting billing inaccuracies, implementing recommendations and procuring refunds:
- ✓ In general, it will take approximately six to eight months to assist the Village in correcting billing inaccuracies, implementing recommendations and procuring refunds.

2. List of types of refunds obtained:

Troy & Banks will identify errors and submit claims to the service providers on behalf of the Village. At a minimum, T&B shall identify errors related to:

- a. Meter reading errors
- b. Rates not in accordance with the Village's contracts
- c. Charges billed for incorrect or nonexistent equipment
- d. Meter malfunctions types
- e. Incorrect meter installed by the utility company
- f. Clerical errors in bill computations
- g. Wrong factors applied
- h. Incorrect tax charges

3. List of types of cost-savings achieved:

In addition to error detection and recovering refunds, T&B will analyze rates and provide recommendations to reduce on-going costs. We will identify possible cost saving recommendations that will result in reduced expenses primarily through the identification of alternate tariffs and rates that may be available. Cost-savings recommendations are always subject to the review and approval of the Village prior to implementation. Cost savings recommendations may include, but are not limited to:

- a. Alternate rates and riders offered by existing suppliers that may result in lower costs
- b. Combination of splitting of meters for billing purposes
- c. Correction of power factor penalties
- d. Negotiation of special contracts to eliminate punitive clauses

In order to measure the savings on which payments will be made, the existing bill which was issued using the new rate or tariff will be recalculated using the old rate or tariff. The difference between the bill under the new rate or tariff and the bill recalculated under the old rate or tariff shall be the savings.

4. Ability to do complete rate analysis to determine lowest-cost utility company rates:

Please refer to Appendix 3 for a sample utility rate analysis.

5. Ability to review all utility companies used by the Village:

With our forensic audit services over the past 30 years, we have successfully reviewed bills from hundreds of utility and telecommunications companies throughout the United States.

Each step of the audit process requires that data is tracked and logged. Invoice copies, transcripts, account numbers, vendors and their representatives, phone numbers, fax numbers, e-mails, vendor addresses, updated tariff information, audit results, claim items, claim dates, claim results, refund results, public service complaint submissions, and hearing dates and resolutions all contribute to the data that needs to be managed, analyzed and organized.

Our auditors make sure that customers are only charged approved and agreed upon utility rates, tariffs, and service options. We research tariff options, billing histories, service classifications, rate changes, service option modifications, and contract changes.

We work collectively with the utility company and the client in order to identify and to isolate any services which are either not present or not in use. T&B will, at their discretion, provide a technician on site to conduct an inventory of all services. Our technicians are highly trained former carrier technicians and work on site to build an active inventory along with service status information for use in our audit process.

The methodology used to implement the recommended changes with each utility provider is once discrepancies to accounts are identified, T&B prepares a claim letter for the provider, documenting our findings. If necessary, we then personally follow up with each provider to ensure that the changes specified have taken place. We then continue to monitor your accounts to ensure that the billing errors have stopped, and the appropriate changes were implemented.

Troy & Banks will identify any incorrect billing amounts for current services as well as identify any charges for non-existent services. Once the Village has reviewed and agreed to our findings, we will assist in obtaining any refunds owed and be prepared to act on the Village's behalf when presenting the findings to the Village's utility vendors.

6. Knowledge of applicable State of Illinois rules and regulations, and local government rate structures:

T&B is completely familiar with the rates, tariffs, rulings and regulations of the Illinois Commerce Commission, the rate structures of the various utility and telecom companies

and related providers. *This in-depth knowledge of Illinois allows Troy & Banks to offer a comprehensive utility bill audit.*

Our library, containing over 500 volumes, holds the most up to date tariff information on 258 publicly owned utility companies as well as additional information for over 100 municipal owned utility companies and energy cooperatives. The library includes up to date utility, streetlight, gas and telecommunications tariffs currently on file with the Public Service Commission. The library includes a database listing of all Public Service Commission offices, websites and web pages related to Internet sites in each of the 50 states in the United States.

7. Ability to provide quantitative and narrative reports:

T&B will provide quantitative and narrative reports over the course of the audit. Standard reports include: Credit/Refund Request, Claim Spreadsheet, Inventory Report, Report on Refunds and Savings, and Audit Summary. These reports will be provided on a monthly basis but can be altered as desired by the Village. The reports will include the following:

- a. Accomplishments to date.
- b. Next-step options and timeline for completion.
- c. Open items needing attention, with identification of the responsible party that must address those open items.
- d. Updates on issues requiring Village of Hoffman Estates attention.

Our reports will identify and describe the basis for any refund and on-going reduction of charges. The reports shall include possible cost savings recommendations that would result in reduced expenses for the Village. At a minimum, reports will include:

- a. Utility bills reviewed and evaluated
- b. Refunds due to the Village
- c. Current list of all accounts/meters will include: buildings/facilities covered under utility franchise agreements. Listing at a minimum, facility name, address, utility usage, meter numbers, account numbers, total annual cost by meter, and general usage information.
- d. Correspondence from utility providers agreeing to amounts of the refund due to the Village, and methods to be used to refund money owed the Village.
- e. Recommendation and guidance on industry best practices for utility bill intake, processing, data entry, and record keeping.
- f. User-friendly guide to identify common utility billing errors for each type of utility bill reviewed by Village staff for training purposes.

Other Services

Troy & Banks shall identify supplemental incentive programs for which the Village may be qualified for with current suppliers. Further, we will identify alternative utility services or providers which may result in cost savings, including the use of deregulated and open market providers.

In addition to our utility management services, T&B handles commodity procurement for numerous municipalities, state agencies, public authorities, manufacturers and non-profit organizations and has been doing so for many years along with our bill auditing services for those agencies. T&B's energy procurement services team works together with our clients to develop a purchase strategy that fits the client's specific needs. Our knowledge of the marketplace and the products available will assist the Village in making the best possible purchase of their energy. Due to our experience and reputation, suppliers are aware they need to provide the best possible price in order to compete for our clients' business.

Similar Projects

1. City of Pleasanton, CA
Municipality
Audit of gas, electric, telecommunications, and water/sewer accounts
 - Approx. \$100,000 per month in bills analyzed
 - \$1,185.32 in refunds and \$294,866.12 in cost savings
 - No unique aspects

2. City of Virginia Beach, VA
Municipality
Audit of electric, sewer, water, fuel oil, natural gas, propane, telecom, cable TV, internet and cellular services accounts
 - Approx. \$175,000 per month in bills analyzed
 - \$190,128.80 in refunds and \$57,876.64 in cost savings to date
 - The City first hired us in 2016 and have recently re-hired us to perform another forensic audit

3. City of Manhattan Beach, CA
Municipality
Audit of electricity, gas, telephone and cell phone/internet accounts
 - Approx. \$60,000 per month in bills analyzed
 - \$307.80 in refunds and \$67,405.19 in cost savings
 - No unique aspects

References

Reference: City of Buffalo, NY
Name: Mr. Kevin Kaufman
Title: City Auditor
Telephone Number: #716-851-5265
E-mail Address: KKaufman@ch.ci.buffalo.ny.us

Reference: City of Virginia Beach, VA
Name: Mr. Lyndon Remias
Title: City Auditor
Telephone Number: #757-385-5872
E-Mail Address: LRemias@vb.gov

Reference: City of Woodward, OK
Name: Ms. Andrea Murlin
Title: City Clerk
Telephone Number: #580-254-8504
E-mail Address: amurlin@cityofwoodward.com

Reference: City of Pleasanton, CA
Name: Ms. Tina Olsen
Title: Director of Finance
Telephone Number: #925-931-5402
E-mail Address: tolson@cityofpleasantonca.gov

Reference: City of Huntington, WV
Name: Ms. Ericka Hernandez Hostetter
Title: Assistant City Attorney
Telephone Number: #304-696-4480
E-mail Address: hernandeze@cityofhuntington.com

Information Needed

An audit by Troy & Banks involves very little involvement on the part of the Village after we have obtained the initial paperwork. The majority of our work, if not all, will be performed in our offices. In some cases, we send a trained professional to conduct an on-site visit to confirm the existence (or non-existence) of key service items.

To initiate a review, the Village will simply provide us with one copy of each utility bill for the utility accounts that serve the Village facilities to ensure the accuracy of the bills. Troy & Banks can extract the necessary billing detail electronically. Our auditors will review the utility billing history for the previous ten (10) years as per the State of Illinois Statute of Limitations.

It is estimated that the time Village personnel will be needed to complete the audit is approximately 25-30 hours.

A sample Letter of Authorization is included as Appendix 4.

Fees

This agreement mirrors the contract we have with TIPS (The Interlocal Purchasing System). A copy of the agreement that we use for TIPS members is included in the Attachments section.

Troy & Banks standard compensation methodology encompasses the following:

1. **Overcharges** – For any refunds, credits or rebates obtained by Troy & Banks for prior overcharges, billing errors or costs in excess of those permitted by applicable contracts, tariffs, statutes, rules or regulations, T&B shall be paid 33% of all monies refunded or credited to the Village of Hoffman Estates.
2. **Future Cost Savings** – For any reductions in future costs from T&B analysis, the fee of 33% of the amount saved each month for 12 months shall be paid to T&B. T&B will document actual monthly savings obtained by analysis of tariff cost applications.
3. If the Village of Hoffman Estates does not receive refunds, credits, or reductions in future billings, there will be no fee for T&B services. No monthly or annual fees will apply.

T&B will issue invoices to the Village when a refund and/or credit is seen on the bill or a check is sent to the Village for the recovered amount. We will expect to be paid on any refunds or credits within 30 days of the Village's receipt of the refund/credit.

Billing Frequency:

Typically, we will invoice a Client when refunds or credits are seen on the bill or a check has been sent to the Client. However, if the Village of Hoffman Estates desires, we can issue any invoice(s) at the completion of the audit.

Cost Saving Recommendations:

The fee to the Village is based on the rate of savings. We will bill the Village for 33% of savings over a 12-month period of time. Therefore, your fee to pay T&B is equal to a percentage of whatever the Village saves over the course of the year.

T&B will also issue invoices to the Village after the Village realizes the 12-month savings. We will expect to be paid on any future savings within 30 days of the Village's receipt of the T&B invoice.

Sample Invoice:

A sample invoice for cost-saving recommendations is included Appendix 5.

Summary

Troy & Banks will facilitate a Village-wide utility bill audit. The scope of work provided will include extensive communication responsibilities to keep the Village informed of the project's progress including but not limited to:

- Identifying and prioritizing the needs of the Village
- Ensuring that efficiencies are maximized in all aspects
- Ensuring that all alternatives are considered, including those not currently under consideration.

Initial Phase – at the initial start of the project, T&B will perform the following:

- Establish liaison protocols with Village representatives
- Receive Letters of Authorization (LOAs) from Village
- Distribute LOAs to vendors
- Establish liaison protocols with vendors
- Collect bills, contracts from Village and vendors

Data Collection and Analysis – T&B will simultaneously and efficiently collect and analyze information from a variety of sources in order to maximize cost savings and on-going expense control, including:

- Staff meetings, interviews and discussions
- Contracts and tariff/rate information
- Invoices
- Account and other location information
- Work orders and related documentation
- Vendor contacts, quotations and other information

Recommendations and Implementation – Upon completion of data collection and analysis, T&B will perform the following steps to assist the Village in implementing and optimizing the benefits of cost savings recommendations:

- Provide the detailed information to document our findings and recommendations
- Discuss our recommendations and suggested next steps
- Obtain Village's written approval to:
 - a. Collect vendor refunds/credits
 - b. Implement cost savings recommendations
- Implement approved recommendations

Software – T&B uses Microsoft Office software products for our auditing. We have designed a specialized rate analysis data bank to check for billing errors. At the completion of our audit, we may also recommend software solutions for tracking utility bill information to the Village.

We utilize all software resources which are available to our clients, i.e. CDs, online reporting and/or online billing utilities. Dependent on the vendor, we utilize any available reporting tools to determine the overall amount of usage for a given service, oversubscription, under subscription, zero use devices and so on.

Unlike other firms that offer "utility and telecommunications billing services," T&B actually cross-checks the billings against actual physical inspection and inventory of a Village's facilities. The result is an outstanding track record of delivering actual cash refunds and cash credits to our clients plus substantial and verified (not theoretical) future savings. Troy & Banks thoroughly documents and proves actual savings – not theory.

T&B has provided this high level of service and professionalism to thousands of clients. Just in the last two years, we have recovered overcharge refunds for our clients in excess of \$1.5 million arising from utility and telecom billing errors and annual cost reductions in excess of \$1.4 million.

The Village of Hoffman Estates, IL and its' residents will be well-served by choosing Troy & Banks to provide the Utility Bill Audit Services.

Appendices

1. List of Utility Company Suppliers
2. Sample Report Findings
3. Sample Utility Rate Analysis
4. Sample Letter of Authorization
5. Sample Invoice for Fees

Illinois Municipal Clients

County of McHenry
Village of Lakewood
Village of Cary
City of Crystal Lake
United City of Yorkville
City of Elgin
Cherry Grove-Shannon Township

Utility Companies

Ameren
ComEd
MidAmerican

Energy Suppliers

Calpine
Constellation
Direct
Indra
Engie

Appendix 2



SMART SOLUTIONSSM

February 21, 2019

Final
Utility & Telecommunications Audit Summary Report



TROY & BANKS
Utility and Telecommunication Consultants

Audit Summary

➤ Utility Audit:

Scope of Study:

- All [REDACTED] invoices from Dominion VA Power, Northern Virginia Electric Cooperative (NOVEC), and Washington Gas were examined.

Overall Findings:

Dominion VA Power / VA Energy Purchasing Governmental Association

(VEPGA): An analysis of all Dominion accounts led to the submittal of five claim letters. Four of the five claims were denied, but were accepted as valid charges by Troy & Banks. The result of the other claim was a refund for an incorrect rate classification.

- **Refund:** \$267.07

Northern Virginia Electric Cooperative (NOVEC): Accounts are being billed correctly. No overcharges were identified.

Washington Gas: Accounts are being billed correctly. No overcharges were identified.

Total Refund for Utility Audit: \$267.07

➤ Tax Audit

Scope of Study:

- All [REDACTED] invoices from all vendors were examined.
- Incorrect taxes were noted and refund claims were filed with the appropriate providers. Incorrect taxes were removed from future billing.

Overall Findings

Washington Gas: "Local Utility" and "State & Local Consumption" Taxes were found charged to five Washington Gas accounts. Troy & Banks submitted a claim to Washington Gas in order to obtain a refund for the taxes billed incorrectly. Taxes were refunded as far back as State statute allowed.

1. [REDACTED]: \$3,975.78
2. [REDACTED]: \$1,801.50
3. [REDACTED]: \$15.67
4. [REDACTED]: \$18.09
5. [REDACTED]: \$4,826.18

- **Refund:** \$10,637.22 **Future Savings:** \$341.53/month

AT&T: Troy & Banks reviewed all [REDACTED] AT&T phone accounts for incorrect taxes. Taxes were found billed to 17 accounts. Troy & Banks submitted a claim to AT&T in order to obtain a refund for the taxes billed incorrectly. Taxes were refunded as far back as State statute allowed.

1. [REDACTED] : \$70.75
2. [REDACTED] : \$65.06
3. [REDACTED] : \$69.90
4. [REDACTED] : \$69.09
5. [REDACTED] : \$69.09
6. [REDACTED] : \$69.09
7. [REDACTED] : \$116.65
8. [REDACTED] : \$71.23
9. [REDACTED] : \$86.14
10. [REDACTED] : \$62.52
11. [REDACTED] : \$62.52
12. [REDACTED] : \$60.92
13. [REDACTED] : \$60.96
14. [REDACTED] : \$62.57
15. [REDACTED] : \$62.57
16. [REDACTED] : \$60.86
17. [REDACTED] : \$163.21

- **Refund:** \$1,283.13 **Future Savings:** \$31.10/month

Verizon: Troy & Banks reviewed all [REDACTED] Verizon phone accounts for incorrect taxes. Taxes were found billed to eight accounts. Troy & Banks submitted a claim to Verizon in order to obtain a refund for the taxes billed incorrectly. Taxes were refunded as far back as State statute allowed.

1. [REDACTED] : \$164.01 – Future Savings: \$4.32/month
2. [REDACTED] : \$1,044.22 – Future Savings: \$27.49/month
3. [REDACTED] : \$164.01 – Future Savings: \$4.32/month
4. [REDACTED] : \$106.69 – Future Savings: \$2.81/month
5. [REDACTED] : \$1,110.42 – Future Savings: \$24.09/month
6. [REDACTED] : \$9,342.58 – Future Savings: \$167.84/month
7. [REDACTED] : \$2,907.18 – Future Savings: \$4.77/month
8. [REDACTED] : \$20,519.53 – Future Savings: \$438.29/month

- **Refund:** \$35,358.64 **Future Savings:** \$673.93/month

Total Refund for Tax Audit: \$47,278.99
Total Savings for Tax Audit: \$1,046.56/month

➤ **Telecommunications Audit**

Scope of Study:

- All [REDACTED] telecommunications invoices were examined.

The associated accounts were examined for the following inconsistencies:

- Incorrect monthly charges
- Dead accounts or lines
- Evaluation of current configuration

Overall Findings

The following billing errors / cost reductions were identified:

1. [REDACTED] was found to have been billed erroneously by 3rd party providers for Verizon Account Numbers [REDACTED], [REDACTED], and [REDACTED].
2. Verizon account number [REDACTED] was being billed for flat rate calling, but it was determined that measured rate would be more beneficial.
3. [REDACTED] was being billed for circuits that were no longer in operation.

Resolutions to the above issues:

1. The 3rd party charges were cancelled and a claim was submitted to each provider to refund the charges paid.

- **Refund:** \$3,328.64

Resulting Savings: \$99.43/month

2. The rate was changed from a flat rate to a measured rate.

- **Credit:** \$35.53

Resulting Savings: \$238.26/month

3. A claim was submitted to Verizon for the circuits no longer in operation.

1. [REDACTED]: \$4,825.85
2. [REDACTED]: \$1,563.13
3. [REDACTED]: \$14,119.18
4. [REDACTED]: \$2,080.43
5. [REDACTED]: \$4,874.57
6. [REDACTED]: \$5,135.36

- 7. [REDACTED]: \$129.72
- 8. [REDACTED]: \$558.29

- **Refund:** \$33,286.53

Total Refund / Credit for Billing Issues: \$36,650.70

Total Savings for Billing Issues: \$337.69/month

Dial Study:

A comprehensive dial study and circuit review was also performed on all lines and circuits billed to [REDACTED]. In consultation with the [REDACTED], it was determined that numerous lines and circuits could be removed from billing. Troy & Banks issued disconnect orders on these lines and circuits.

- **Resulting Credits:** \$5,336.25
- **Resulting Savings:** \$9,106.79/month

Total Refund for Telecommunications Audit: \$41,986.95

Total Savings for Telecommunications Audit: \$9,444.48 / month

Synopsis

Through the audit performed by Troy & Banks, [REDACTED] realized the following results:

- **Total Refunds / Credits:** \$89,533.01
- **Total Annual Savings:** \$125,892.48

It has been a pleasure to work with you and your colleagues at the [REDACTED]. We hope you are pleased with the results of your audit. Please let us know if we can ever be of further assistance in the future.

Sincerely,
TROY & BANKS, INC.

BY: _____
Thomas T. Ranallo, President

**City of Sample
ABC Rd. Sample, NY 12345
Acct Number: 123456789**

**Savings Summary From 5/19-4/20
12 Month Realized Savings With Rate Change
Rate Change From GS To SP Initiated 3/18**

Rates			
Rate SP		Rate GS	
Srvc.Chrg.	\$29.20	Srvc.Chrg.	\$25.70
Demand	\$7.01	1st 2,000 kWh	\$0.08062
1st 200 Hours	\$0.03922	Next 3,000 kWh	\$0.07469
Over 200 Hours	\$0.03028	Next 5,000 kWh	\$0.06937
		Over 10,000 kWh	\$0.06260

Month	Demand	KWH	Rate SP (New Rate)				Rate GS (Old Rate)				Rate GS-PPA	Rate GS	Monthly Savings	
			1st 200 Hours	Over 200 Hours	PPA-kWh	PPA-Demand	Rate SP	1st 2,000 kWh	Next 3,000 kWh	Next 5,000 kWh				Over 10,000 kWh
04/28/20	90.08	42,240	18,016	24,224	\$0.018890	\$3.09	\$3,177.01	2,000	3,000	5,000	32,240	\$0.032324	\$4,141.45	\$964.44
03/29/20	90.08	42,240	18,016	24,224	\$0.017999	\$4.49	\$3,265.49	2,000	3,000	5,000	32,240	\$0.026701	\$3,903.93	\$638.45
02/27/20	103.84	51,520	20,768	30,752	\$0.017999	\$4.49	\$3,896.36	2,000	3,000	5,000	41,520	\$0.026701	\$4,732.65	\$836.29
01/27/20	103.84	35,040	20,768	14,272	\$0.017999	\$4.49	\$3,100.72	2,000	3,000	5,000	25,040	\$0.026701	\$3,260.97	\$160.24
12/28/19	102.24	37,920	20,448	17,472	\$0.014044	\$4.52	\$3,071.60	2,000	3,000	5,000	27,920	\$0.025258	\$3,463.44	\$391.84
11/24/19	102.24	117,600	20,448	97,152	\$0.014044	\$4.52	\$6,603.33	2,000	3,000	5,000	107,600	\$0.025258	\$10,463.96	\$3,860.63
10/26/19	20.00	160	160	0	\$0.014044	\$4.52	\$268.32	160	0	0	0	\$0.025258	\$42.64	-\$225.68
09/27/19	20.00	320	320	0	\$0.013839	\$4.51	\$276.58	320	0	0	0	\$0.028338	\$60.57	-\$216.01
08/27/19	20.00	45,120	4,000	41,120	\$0.013839	\$4.51	\$2,286.01	2,000	3,000	5,000	35,120	\$0.028338	\$4,234.98	\$1,948.97
07/28/19	57.28	31,520	11,456	20,064	\$0.013839	\$4.51	\$2,182.11	2,000	3,000	5,000	21,520	\$0.028338	\$2,998.23	\$816.11
06/27/19	90.08	29,920	18,016	11,904	\$0.013839	\$4.51	\$2,548.03	2,000	3,000	5,000	19,920	\$0.028338	\$2,852.72	\$304.70
05/27/19	90.08	36,960	18,016	18,944	\$0.013839	\$4.51	\$2,858.62	2,000	3,000	5,000	26,960	\$0.028338	\$3,492.93	\$634.31
		470,560	170,432	300,128			\$33,534.19	20,480	30,000	50,000	370,080		\$43,648.46	\$10,114.28

12 Month Savings On Rate SP
\$10,114.28

Appendix 4

PLEASE RETYPE THIS AUTHORIZATION FORM ONTO YOUR COMPANY LETTERHEAD

Date:

Our utility and telephone companies are:

Dear Representative:

We have this date engaged Troy & Banks, Inc. as utility and telephone consultants to serve as our agent for the purpose of auditing and evaluating our account(s).

Please respond to Troy & Banks, Inc. in all matters pertaining to our accounts with you. This includes providing all billing information, billing records, and order activity with reference to our service and equipment. This authorization shall continue until same is canceled in writing from our office.

Troy & Banks is hereby authorized to pursue credits due us for past billing discrepancies and act as our agent should a refund check be desired in lieu of a credit.

Their representative will present this request when contacting your offices.

Very truly yours,

Print Name:

Title:

Appendix 5



TROY & BANKS
Utility and Telecommunication Consultants

Corporate Offices:

BUFFALO - NEW YORK
2216 Kensington Avenue
Kensington Avenue
at Saratoga
Buffalo NY 14226
(800) 490-8568
(716) 839-4402
Telefax (716) 839-4402

Branch Offices:

CALIFORNIA
398 E. Carob Ave.
Fresno, CA 93654

2080 San Pasqual St.
Pasadena CA 91107

FLORIDA
3880 W. Broward Blvd #202
Ft. Lauderdale, FL 33312

2330 Warbler Circle
Lakeland, FL 33810

NEW YORK
Rocketteller Center
Post Office Box 3966
New York, NY 10185
(212) 699-0621

450 Jencks Turnpike
Suite 203
Minerva NY 11501
(516) 746-0992

31 Hadden Valley Road
Rochester, NY 14624

TEXAS
6418 Eckhart Rd #2101
San Antonio, TX 78240

VIRGINIA
325 East Dayton Blvd
Suite #201
Norfolk VA 23503
(757) 932 1414

e-mail:
sales@troybanks.com

Internet address:
www.troybanks.com

January 20, 2020

Ms. [REDACTED]
City Clerk
City of [REDACTED]
[REDACTED], OK [REDACTED]

**RE: Utility Audit Savings
Account: See attached**

Dear Ms. [REDACTED]

This letter serves as a follow-up to our claims with Oklahoma Gas & Electric (OGE) regarding your accounts listed above. OGE changed the rates on the accounts to our recommended, more favorable rates approximately 12 months ago.

Enclosed are the rate analysis spreadsheets illustrating the actual, realized 12-month savings of **\$6,129.86** on the new, more favorable rates.

Also enclosed is our invoice in the amount of \$2,022.85. This amount represents Troy & Banks' 33% portion of the first 12 months of savings. This completes the future savings portion of the contract for these accounts. Please mark your records accordingly.

If you have any questions, please do not hesitate to call. Thank you.

Sincerely,
TROY & BANKS, INC.

BY: _____
Thomas T. Ranallo
President

TTR
Enclosure

CUSTOMER INVOICE



Please remit payment to:
2216 Kensington Avenue
Buffalo, NY 14226-4812
(716) 839-4402
(800) 499-8599
(716) 839-4452 (fax)

TO: City of [REDACTED]
REVISED

Invoice Date: January 8, 2020
Due Date: February 8, 2020
Amount Due: \$ 2,022.85

For Professional Services Rendered Re:	Utility Audit
Total Savings	\$ 6,129.86
Troy & Banks Fee 33%	\$ 2,022.85

Net Benefit by Utilizing Troy & Banks' Services: \$4,107.01

Total Amount Due To Troy & Banks: 33% of Your Savings	\$2,022.85
--	-------------------

Please note that a 1.5% Monthly Finance Charge accrues on all invoices that are not paid by the due date. This will continue to accrue until you make full payment on the principal amount and interest.

Refunds for: Utility Audit Savings
Account: See Attached

If you have any questions or concerns regarding this invoice, please contact Thomas Ranallo at (716) 839-4402.

Thank you in advance for your prompt payment, and as always, thank you for allowing us to be your utility and telecommunications consultant.

Client copy

City of [REDACTED]
[REDACTED]
Account Number [REDACTED]

Savings Summary From 12/2018-11/2019
12 Month Realized Savings With Rate Change
Rate Change From GS-1 To PM-1 Initiated 11/2018

Rate GS-1 (Old Rate)			Rate PM-1 (New Rate)		
	Summer	Winter		Summer	Winter
Cust Charge	\$24.70	\$24.70	Cust Charge	\$23.80	\$23.80
First 1,000 kWh	\$0.08450	\$0.06800	All kWh	\$0.0386	\$0.0205
Over 1,000 kWh	\$0.08970	\$0.03210	PTC	-\$0.001665	-\$0.001665
PTC	-\$0.00221	-\$0.00221			

Month	KWH	First 1,000 kWh	Over 1,000 kWh	RIDER GCRR GS-1	RIDER GCRR PM-1	Rate GS-1 (Old Rate)	Rate PM-1 (New Rate)	Monthly Savings
11/09/19	2,931	1,000	1,931	\$0.000796	\$0.000435	\$278.28	\$133.33	\$144.93
10/09/19	2,693	1,000	1,693	\$0.000796	\$0.000435	\$257.25	\$124.44	\$132.81
09/11/19	907	907	0	\$0.000796	\$0.000435	\$100.06	\$57.69	\$42.36
08/09/19	31	31	0	\$0.000796	\$0.000435	\$27.28	\$24.96	\$2.32
07/10/19	1,653	1,000	653	\$0.000000	\$0.000000	\$164.12	\$84.85	\$79.26
06/11/19	1,993	1,000	993	\$0.000000	\$0.000000	\$120.17	\$61.34	\$58.83
05/09/19	2,380	1,000	1,380	\$0.000000	\$0.000000	\$131.73	\$68.63	\$63.11
04/09/19	2,189	1,000	1,189	\$0.000000	\$0.000000	\$126.02	\$65.03	\$61.00
03/09/19	2,349	1,000	1,349	\$0.000000	\$0.000000	\$130.81	\$68.04	\$62.76
02/09/19	2,276	1,000	1,276	\$0.000000	\$0.000000	\$128.63	\$66.67	\$61.96
01/10/19	2,429	1,000	1,429	\$0.000000	\$0.000000	\$133.20	\$69.55	\$63.65
12/11/18	2,436	1,000	1,436	\$0.000000	\$0.000000	\$138.80	\$73.74	\$65.06
Totals:	24,267	10,938	13,329			\$1,736.31	\$898.27	\$838.04

12 Month Savings On Rate PM-1
\$838.04

City of [REDACTED]

Account Number [REDACTED]

Savings Summary From 12/2018-11/2019
 12 Month Realized Savings With Rate Change
 Rate Change From GS-1 To PM-1 Initiated 11/2018

Rate GS-1 (Old Rate)			Rate PM-1 (New Rate)		
	Summer	Winter		Summer	Winter
Cust Charge	\$24.70	\$24.70	Cust Charge	\$23.80	\$23.80
First 1,000 kWh	\$0.08450	\$0.06800	All kWh	\$0.0386	\$0.0205
Over 1,000 kWh	\$0.08970	\$0.03210	PTC	-\$0.001665	-\$0.001665
PTC	-\$0.00221	-\$0.00221			

Month	KWH	First 1,000 kWh	Over 1,000 kWh	RIDER GCRR GS-1	RIDER GCRR PM-1	Rate GS-1 (Old Rate)	Rate PM-1 (New Rate)	Monthly Savings
11/14/19	2,881	1,000	1,881	\$0.000796	\$0.000435	\$273.85	\$131.46	\$142.38
10/15/19	2,153	1,000	1,153	\$0.000796	\$0.000435	\$208.58	\$104.26	\$105.32
09/14/19	252	252	0	\$0.000796	\$0.000435	\$45.64	\$33.22	\$12.42
08/15/19	1,003	1,000	3	\$0.000796	\$0.000435	\$106.05	\$61.28	\$46.77
07/16/19	1,180	1,000	180	\$0.000000	\$0.000000	\$122.74	\$67.38	\$55.35
06/14/19	305	305	0	\$0.000000	\$0.000000	\$44.77	\$29.54	\$15.22
05/15/19	510	510	0	\$0.000000	\$0.000000	\$58.25	\$33.41	\$24.85
04/13/19	1,361	1,000	361	\$0.000000	\$0.000000	\$101.28	\$49.43	\$51.84
03/15/19	1,356	1,000	356	\$0.000000	\$0.000000	\$101.13	\$49.34	\$51.79
02/14/19	2,012	1,000	1,012	\$0.000000	\$0.000000	\$120.73	\$61.70	\$59.04
01/16/19	2,024	1,000	1,024	\$0.000000	\$0.000000	\$121.09	\$61.92	\$59.17
12/14/18	2,224	1,000	1,224	\$0.000000	\$0.000000	\$131.99	\$69.39	\$62.60
Totals:	17,261	10,067	7,194			\$1,439.08	\$752.34	\$686.75

12 Month Savings On Rate PM-1

\$686.75

City of [REDACTED]



Account Number [REDACTED]

**Savings Summary From 12/2018-11/2019
12 Month Realized Savings With Rate Change
Rate Change From PL-1 To PM-1 Initiated 11/2018**

Rate PL-1 (Old Rate)			Rate PM-1 (New Rate)		
	Summer	Winter		Summer	Winter
BSC	\$79.00	\$79.00	BSC	\$23.80	\$23.80
Demand	\$14.84	\$7.45	All kWh	\$0.0386	\$0.0205
All kWh	\$0.0105	\$0.0105	PTC	-\$0.001665	-\$0.001665
PTC	-\$0.001052	-\$0.001052			

Month	Demand	KWH	RIDER GCRR GS-1	RIDER GCRR PM-1	Rate PL-1 (Old Rate)	Rate PM-1 (New Rate)	Monthly Savings
11/08/19	53	25,920	\$0.000796	\$0.000435	\$1,131.04	\$992.43	\$138.61
10/08/19	86	36,400	\$0.000796	\$0.000435	\$1,728.12	\$1,384.07	\$344.05
09/10/19	78	36,280	\$0.000796	\$0.000435	\$1,608.17	\$1,379.58	\$228.59
08/08/19	82	42,480	\$0.000796	\$0.000435	\$1,731.05	\$1,611.28	\$119.77
07/09/19	105	46,760	\$0.000000	\$0.000000	\$2,078.99	\$1,750.88	\$328.11
06/08/19	93	31,880	\$0.000000	\$0.000000	\$1,073.05	\$624.26	\$448.79
05/08/19	84	29,840	\$0.000000	\$0.000000	\$986.73	\$585.84	\$400.89
04/06/19	96	30,480	\$0.000000	\$0.000000	\$1,082.18	\$597.89	\$484.28
03/08/19	98	33,520	\$0.000000	\$0.000000	\$1,125.80	\$655.15	\$470.65
02/00/19	71	24,360	\$0.000000	\$0.000000	\$838.10	\$482.62	\$355.48
01/09/19	92	27,080	\$0.000000	\$0.000000	\$1,020.25	\$553.85	\$466.40
12/08/18	61	38,880	\$0.000000	\$0.000000	\$941.69	\$820.84	\$120.85
Totals:	999	403,880			\$15,345.17	\$11,418.69	\$3,926.48

12 Month Savings On Rate PM-1
\$3,926.48

City of [REDACTED]
Account Number [REDACTED]

Savings Summary From 12/2018-11/2019
12 Month Realized Savings With Rate Change
Rate Change From PL-1 To PM-1 Initiated 11/2018

Rate PL 1 (Old Rate)			Rate PM-1 (New Rate)		
	Summer	Winter		Summer	Winter
BSC	\$79.00	\$79.00	BSC	\$23.80	\$23.80
Demand	\$14.84	\$7.45	All kWh	\$0.0386	\$0.0205
All kWh	\$0.0105	\$0.0105	PTC	-\$0.001665	-\$0.001665
PTC	-\$0.001052	-\$0.001052			

Month	Demand	KWH	RIDER GCRR GS-1	RIDER GCRR PM-1	Rate PL-1 (Old Rate)	Rate PM-1 (New Rate)	Monthly Savings
11/08/19	30	19,960	\$0.000796	\$0.000435	\$726.67	\$769.71	-\$41.03
10/08/19	30	19,680	\$0.000796	\$0.000435	\$725.80	\$759.24	-\$33.44
09/10/19	27	11,760	\$0.000796	\$0.000435	\$606.15	\$463.27	\$136.88
08/08/19	25	16,520	\$0.000796	\$0.000435	\$619.23	\$641.15	-\$21.92
07/09/19	20	10,880	\$0.000000	\$0.000000	\$478.59	\$425.65	\$52.94
06/08/19	30	15,640	\$0.000000	\$0.000000	\$450.27	\$318.38	\$131.89
05/08/19	34	19,640	\$0.000000	\$0.000000	\$517.86	\$393.72	\$124.14
04/06/19	29	14,240	\$0.000000	\$0.000000	\$429.59	\$292.01	\$137.58
03/08/19	34	13,360	\$0.000000	\$0.000000	\$458.53	\$275.44	\$183.09
02/08/19	31	19,400	\$0.000000	\$0.000000	\$493.24	\$389.20	\$104.04
01/09/19	29	19,580	\$0.000000	\$0.000000	\$482.88	\$398.24	\$84.64
12/08/18	30	21,800	\$0.000000	\$0.000000	\$531.40	\$470.70	\$60.70
Totals:	349	202,760			\$4,594.73	\$3,842.78	\$919.50

12 Month Savings On Rate PM-1
\$919.50

City of [REDACTED]
Account Number [REDACTED]

Savings Summary From 12/2018-11/2019
12 Month Realized Savings With Rate Change
Rate Change From PL-1 To PM-1 Initiated 11/2018

Rate PL 1 (Old Rate)			Rate PM 1 (New Rate)		
	Summer	Winter		Summer	Winter
BSC	\$79.00	\$79.00	BSC	\$23.80	\$23.80
Demand	\$14.84	\$7.45	All kWh	\$0.0386	\$0.0205
All kWh	\$0.0105	\$0.0105	PTC	-\$0.001665	-\$0.001665
PTC	-\$0.001052	-\$0.001052			

Month	Demand	KWH	RIDER GCRR GS-1	RIDER GCRR PM-1	Rate PL-1 (Old Rate)	Rate PM-1 (New Rate)	Monthly Savings
11/08/19	102	68,920	\$0.000796	\$0.000435	\$2,293.70	\$2,599.34	-\$300.64
10/08/19	102	73,880	\$0.000796	\$0.000435	\$2,349.51	\$2,784.70	-\$435.19
09/10/19	115	64,560	\$0.000796	\$0.000435	\$2,446.95	\$2,436.41	\$10.55
08/08/19	99	74,240	\$0.000796	\$0.000435	\$2,303.67	\$2,798.15	-\$489.47
07/09/19	96	66,600	\$0.000000	\$0.000000	\$2,132.88	\$2,483.67	-\$350.79
06/08/19	102	70,640	\$0.000000	\$0.000000	\$1,506.31	\$1,354.30	\$152.00
05/08/19	118	70,920	\$0.000000	\$0.000000	\$1,628.15	\$1,359.58	\$268.57
04/06/19	102	71,000	\$0.000000	\$0.000000	\$1,509.71	\$1,361.09	\$148.62
03/08/19	100	64,480	\$0.000000	\$0.000000	\$1,433.21	\$1,238.28	\$194.93
02/08/19	104	58,400	\$0.000000	\$0.000000	\$1,405.56	\$1,123.76	\$281.80
01/09/19	85	56,640	\$0.000000	\$0.000000	\$1,247.38	\$1,090.61	\$156.77
12/08/18	99	67,080	\$0.000000	\$0.000000	\$1,520.89	\$1,398.94	\$121.95
Totals:	1,224	807,360			\$16,825.74	\$15,230.43	-\$240.91

12 Month Savings On Rate PM-1
-\$240.91

ATTACHMENTS

COOPERATIVE PURCHASING



TROY & BANKS
SMART SOLUTIONSSM

PERFORMANCE BASED - NO RESULTS, NO FEE!



AN EASIER WAY TO PURCHASE

About Troy & Banks

Headquartered in Buffalo, N.Y., Troy & Banks helps clients recover refunds for billing errors that may have happened in the past and make sure that those errors do not reoccur in the future. Troy & Banks is a professional cost management and consulting firm specializing in solutions to reduce utility (electricity, gas, water, sewer, propane) and telecommunication expenses.

By hiring former utility, telecommunications and Public Service Commission employees, Troy & Banks' auditors are able to identify mistakes in utility and telecommunication rates, tariffs, and service options. Troy & Banks' services has expanded beyond auditing to provide assistance for all your energy needs. Services include energy procurement programs, energy curtailment programs, street light auditing, GRT auditing, and cable and municipal franchise fee audits. Our services have saved clients millions of dollars!

About TIPS

Founded in 2002, The Interlocal Purchasing System (TIPS), allows Education, Government and Non-Profit Agencies to purchase from any of their Awarded Vendors without having to competitively solicit and procure the products and services themselves. Established with over a decade of experience in the purchasing procurement industry, TIPS makes purchasing for their Members easy, compliant and economical.

Their competitively bid contracts streamline the purchasing process saving Members both time and money. This process offers opportunities for greater efficiency in pricing and delivery of goods and services by contracting with their high quality Vendors, such as Troy & Banks.



COOPERATIVE PURCHASING



TROY & BANKS SMART SOLUTIONSSM

PERFORMANCE BASED - NO RESULTS, NO FEE!

TROY & BANKS AND TIPS COOPERATIVE HAVE PARTNERED TO BRING CONTRACT SAVINGS AND EFFICIENCIES TO PUBLIC AGENCIES NATIONWIDE.

TIPS, one of the Premier National Purchasing Cooperatives in the United States, has been serving the public agencies since 2002. TIPS helps provide a quick and efficient delivery of Troy & Banks services, while maintaining procurement compliance for Education, Government and Non-Profit Agencies.

	CONTRACT #	CONTRACT NAME	CONTRACT TERM
Awarded Contracts:	2000601	Consulting & Other Related Services	08/24/2020 – 08/27/2023
Lead Agency:	Region 8 Education Service Center, Located in Pittsburg, Texas		
Contract Information:	Visit https://tips-usa.com/Troy&Banks.cfm		
How to Register:	The TIPS website offers step-by-step instructions on how to become a Member. The process is fast and FREE. It is however, state and entity specific. Please visit the following page to access the membership instructions and documents. https://www.tips-usa.com/membership.cfm		
Key Information:	<ul style="list-style-type: none">• Visit our website at www.troybanks.com• To get started, contact our Client Services Director today!• Call or email Kevin Garry at 716-517-3966 kgarry@troybanks.com		
Website:	www.TroyBanks.com		

Kevin Garry
Director of Client Services
(716) 517-3966
kgarry@troybanks.com

Frank Meyran
Program Manager
East Region
(706) 372-0359
Frank.Meyran@tips-usa.com

Meredith Barton
VP of Operations
(903) 575-2791
meredith.barton@tips-usa.com

TROY & BANKS SMART SOLUTIONSSM



MEMBERSHIP
B E N E F I T S

ABOUT TIPS

Purchasing Cooperative

TIPS is a national purchasing cooperative offering competitively solicited contracts to education government and nonprofit agencies, saving them both time and money. TIPS provides a proven, streamlined process that eliminates the purchasing stress for Members.



www.tips-usa.com

866-839-8477



PURCHASING COOPERATIVE

"Purchasing Made Personal"

BENEFITS

Full-Line Contract Solutions

- Choose the products & services desired

Leveraging Relationships

- Select the Vendor desired to purchase from & work with
- TIPS is always available to assist in the process & confirm pricing

Quality Pricing

- Avoid low-bids and low-quality awards.
- Receive national volume, ceiling-based, discounted pricing
- Submit your own RFQ and specs through our Member Portal in one easy step

WHO CAN JOIN

The benefits of using TIPS are available to Education, Government and Non-Profit Agencies

TIPS MEMBERS

are able to save time and money without the delay and expense because TIPS completes the competitive bid process for you



TIPS is the purchasing cooperative of Region 8 Education Service Center, the **Lead Public Agency**.



TIPS has the **legislative authority** to establish contracts for government and education agencies **nationwide**.



Membership is **FREE** with no purchasing obligation or liability. Members gain immediate access to our competitively procured contracts with **quality vendors**.





TIPS Member Enrollment

Who Can Become A Member of TIPS?

The benefits of using a TIPS contract are available to Education, Government and Non-Profit Agencies.

This includes but is not limited to:

- ✓ K-12 School Districts
- ✓ Charter Schools
- ✓ Private Schools
- ✓ Colleges
- ✓ Universities
- ✓ State Agencies
- ✓ Municipalities
- ✓ Townships
- ✓ Emergency Service Districts
- ✓ Churches
- ✓ Charitable Organizations
- ✓ Housing Authorities
- ✓ Counties
- ✓ Park & Water Districts
- ✓ Special Education Districts
- ✓ Native American Tribes
- ✓ Other entities with legislated purchasing & bidding requirements

Membership Enrollment Process:

1. www.tips-usa.com



2. Click on the appropriate image for your state and fill out the entity specific form



3. Submit the signed Interlocal Agreement to tips@tips-usa.com where your membership will be processed within 24 hours.

Need Assistance? Contact TIPS 866-839-8477



TROY & BANKS
Utility and Telecommunication Consultants

AGREEMENT

Based on TIPS Contract Number 200601
Consulting and Other Related Services

Corporate Offices:
BUFFALO - NEW YORK
2216 Kensington Avenue
Kensington Avenue
at Saratoga
Buffalo, NY 14226
(800) 499-8599
(716) 839-4402
Telefax (716) 839-4452

Branch Offices:

CALIFORNIA
398 E. Carob Ave.
Fresno, CA 93854

Post Office Box 550700
So. Lake Tahoe, CA 96155

FLORIDA
1713 Whitehall Drive
Davie, FL 33324

Post Office Box 14192
Ft. Lauderdale, FL 33302

2330 Warbler Circle
Lakeland, FL 33810

NEW YORK
Rockefeller Center
Post Office Box 3968
New York, NY 10185
(212) 699-0621

Post Office Box 147
Williston Park, NY 11596
(516) 746-0992

31 Hidden Valley Road
Rochester, NY 14624

TEXAS
6418 Eckhart Rd. #3101
San Antonio, TX 78240

VIRGINIA
325 East Bayview Blvd.
Suite #201
Norfolk, VA 23503
(757) 932-1414

e-mail:
save@troybanks.com

internet address:
www.troybanks.com

This Agreement is entered into as of _____ between Troy & Banks, Inc. ("T&B") and
Village of Hoffman Estates with an address at
1900 Hassell Road, Hoffman Estates, IL 60169 ("Client").

In consideration of the mutual agreements hereafter set forth, T&B and the Client agree as follows:

1. The Client engages T&B to conduct an audit or survey of the Client's electric, gas, propane, water/sewer, and telecommunications (data, internet, land line, cell phones) account invoices for the purpose of securing refunds, credits and cost reductions resulting from discovery of charges or costs in excess of those permitted or allowed by applicable contracts, tariffs, statutes, rules and regulations and/or from overcharges or billing errors. T&B agrees to conduct such audit.
2. Overcharges – For any refunds, credits or rebates obtained by T&B for prior overcharges, billing errors or costs in excess of those permitted by applicable contracts, tariffs, statutes, rules or regulations, TB shall be paid 33% of all monies refunded or credited to the Client.
3. Future Cost Reductions - For any reductions in future costs for electric, gas, propane, water/sewer, and telecommunications (data, internet, land line, cell phones) account invoice expenditures resulting from T&B analysis, the fee is 33% of the amount saved each month for 12 months. T&B will document actual monthly savings obtained by analysis of tariff cost applications.
4. T&B has made and makes no guarantee or assurance of any credit, refund amount, or cost saving results.
5. **If the Client does not receive refunds, credits, or reductions in future billings, there will be no fee for T&B services.**
6. This Agreement sets forth the entire understanding and agreement between the parties.

Village of Hoffman Estates

Troy & Banks, Inc.

By: _____

By: _____

Thomas T. Ranallo, President

Name: _____

Title: _____

Telephone: _____

Telefax: _____



HOFFMAN ESTATES

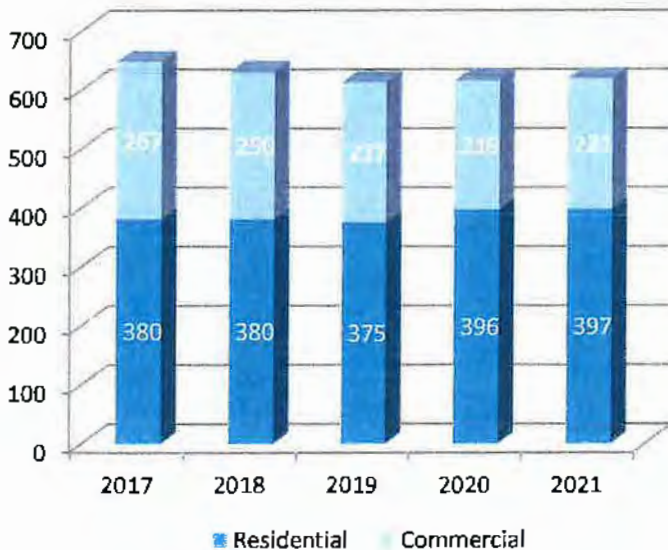
GROWING TO GREATNESS

DEPARTMENT OF FINANCE MONTHLY REPORT JUNE 2021

Water Billing

A total of 14,816 residential water bills were mailed on June 1st for April's water consumption. Average consumption was 5,135 gallons, resulting in an average residential water bill of \$73.35. Total consumption for all customers was 122 million gallons, with 76 million gallons attributable to residential consumption. When compared to the June 2020 billing, residential consumption did not change.

**Total Water Consumption
Year-To-Date Comparison
Month of June**

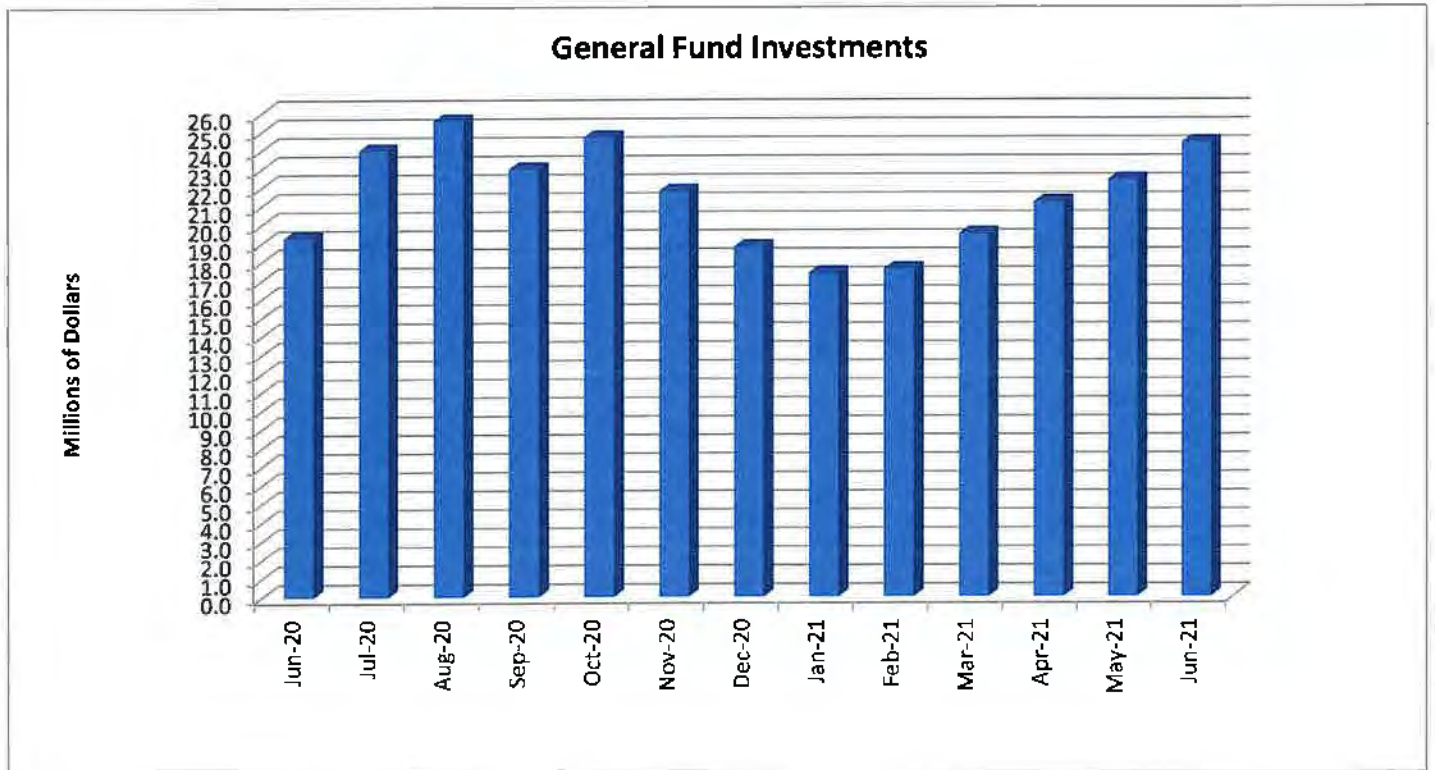
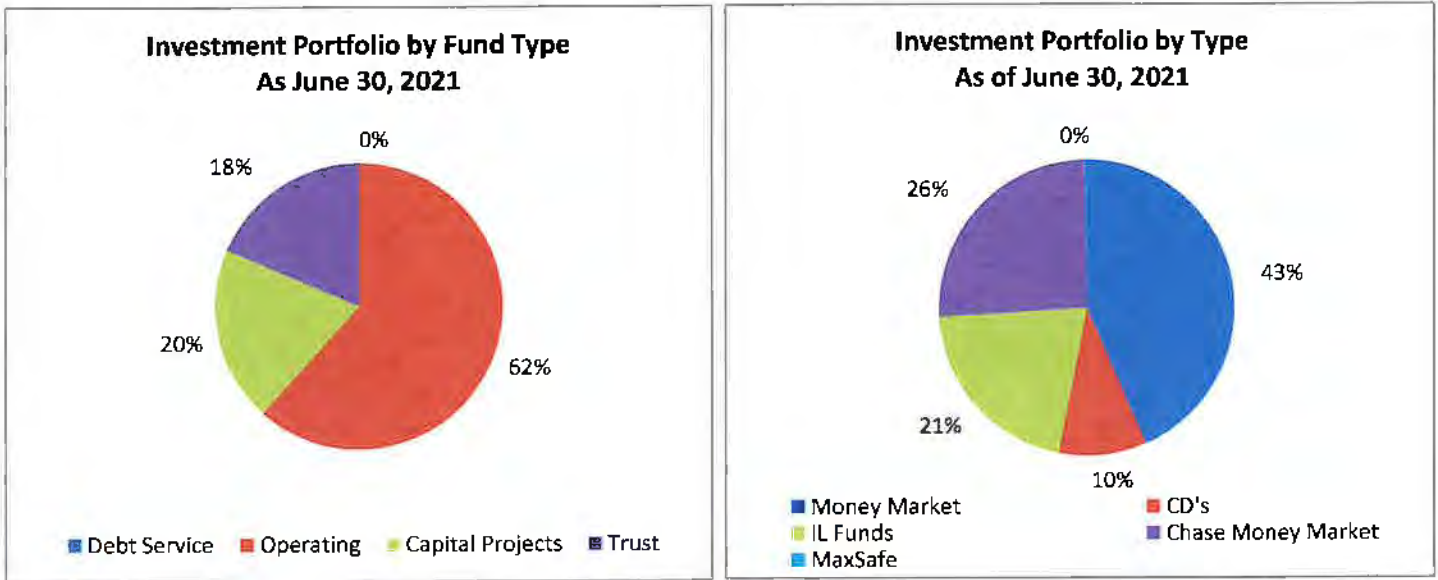


**Total Water Consumption
Month of June**



Village Investments

As of June 30, 2021, the Village's investment portfolio (not including pension trust funds) totaled \$60.6 million. Of this amount, \$37.4 million pertained to the various operating funds. As can be seen in the following graphs, the remaining \$23.2 million is related to capital projects and trust funds.



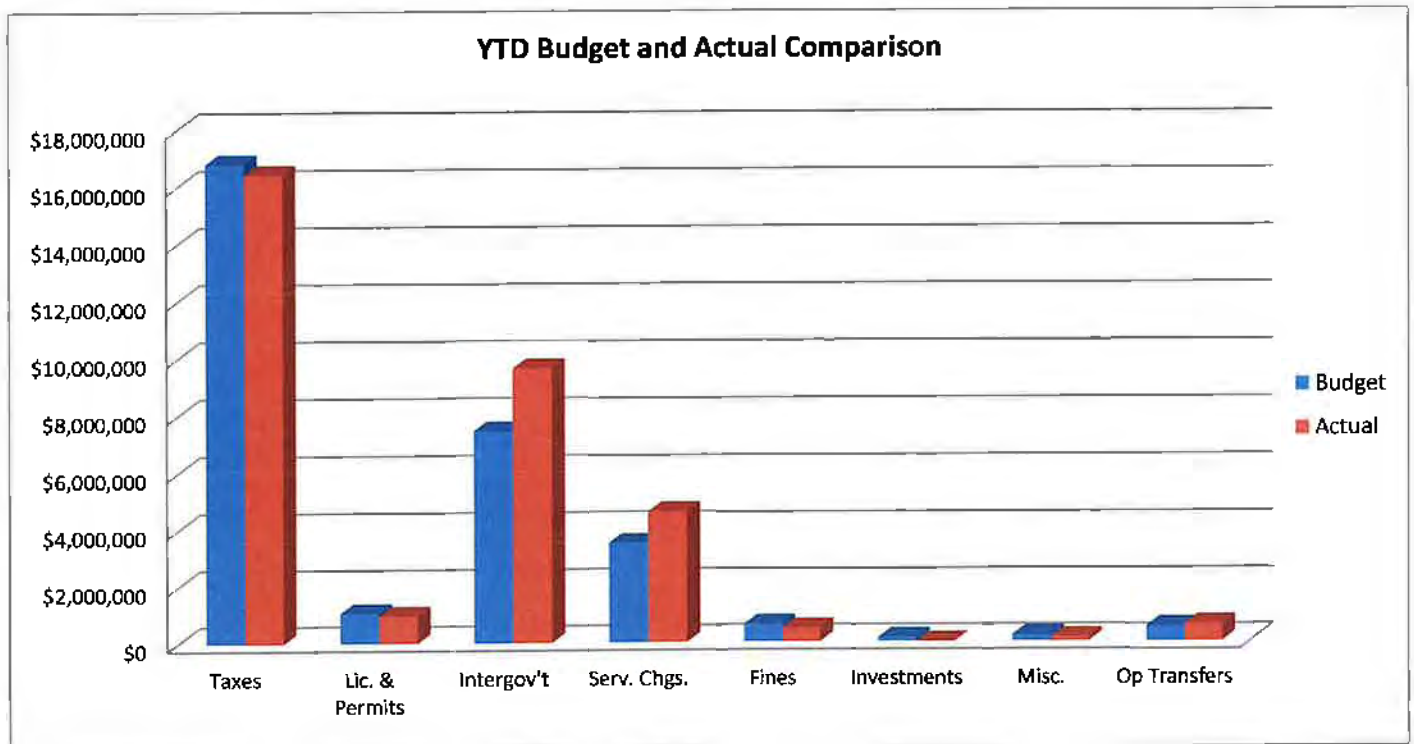
Operating Funds

General Fund

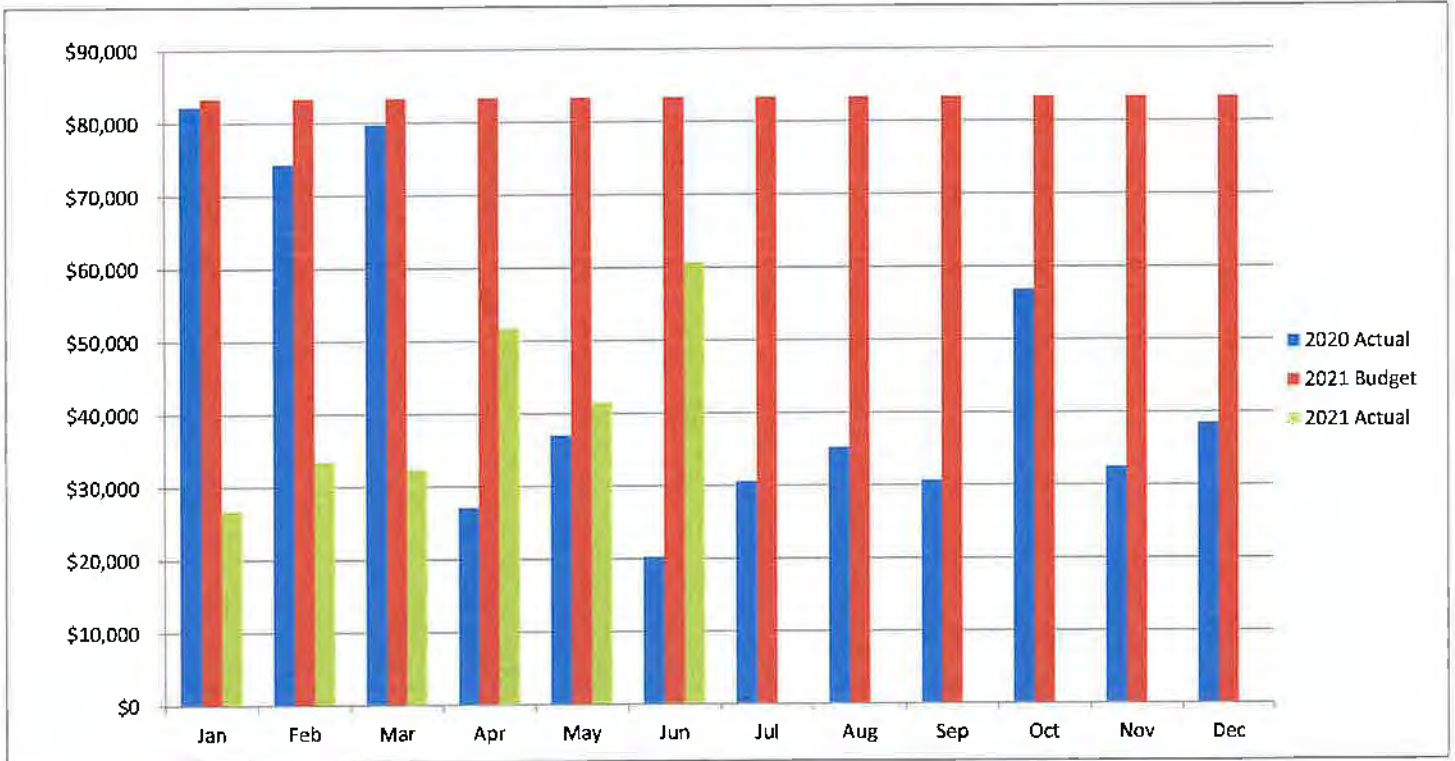
For the month of June, General Fund revenues totaled \$4,015,911 and expenditures totaled \$3,845,941 resulting in a surplus of \$169,990.

Revenues: June year-to-date figures are detailed in the table below. Intergovernmental is over budget due to increased State Income Tax and Local Use Tax received. Charges for services are over budget due to Engineering Fees received from upcoming developments within the Village. Fines and Forfeits are under budget because of a distribution delay from the County for traffic violations. Investment income is under budget due to lower interest rates being realized. Most miscellaneous revenues are not received on a monthly basis.

REVENUES	YEAR-TO-DATE		VARIANCE
	BUDGET	ACTUAL	
Taxes	\$ 16,808,625	\$ 16,444,905	-2.2%
Licenses & Permits	1,068,000	976,322	-8.6%
Intergovernmental	7,441,855	9,618,883	29.3%
Charges for Services	3,504,350	4,598,164	31.2%
Fines & Forfeits	613,000	483,470	-21.1%
Investments	137,500	9,504	-93.1%
Miscellaneous	220,550	142,919	-35.2%
Operating Transfers	527,000	608,849	15.5%
TOTAL	\$ 30,320,880	\$ 32,883,015	8.5%

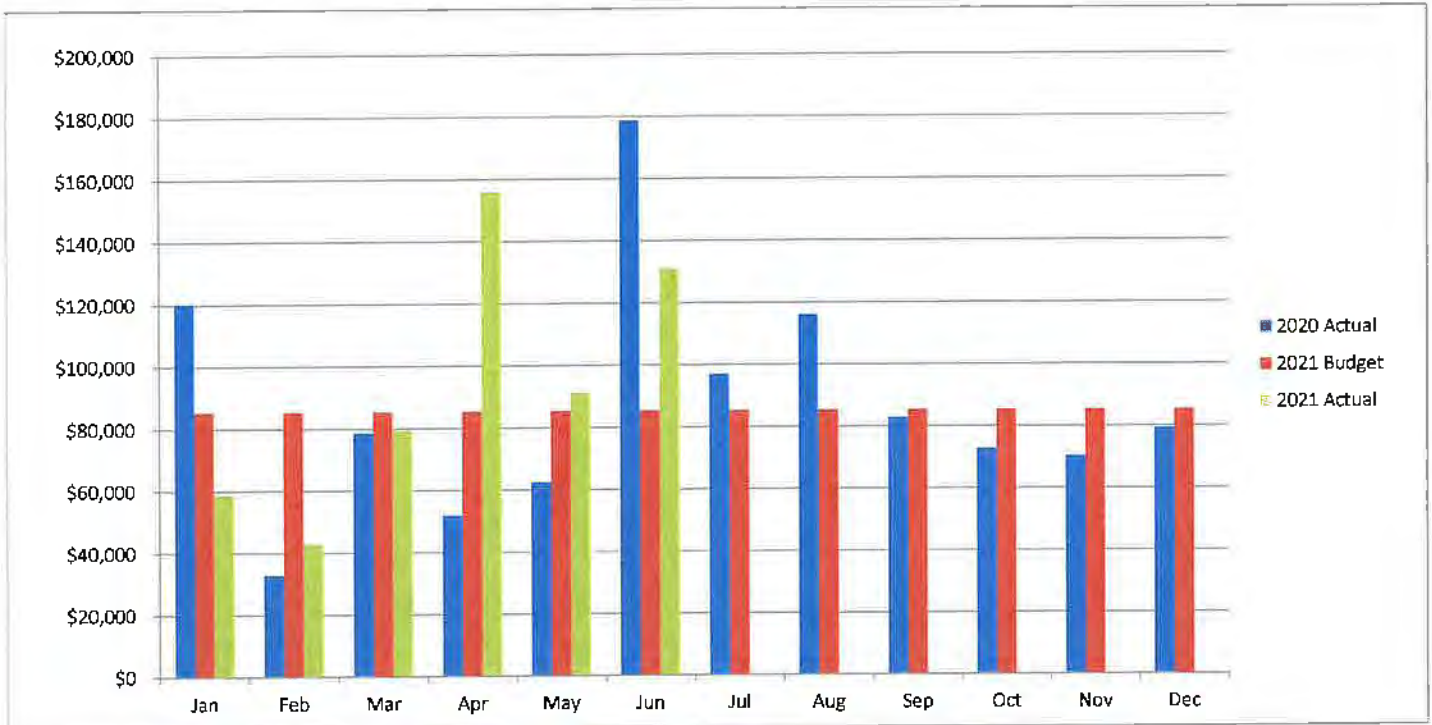


Hotel Tax



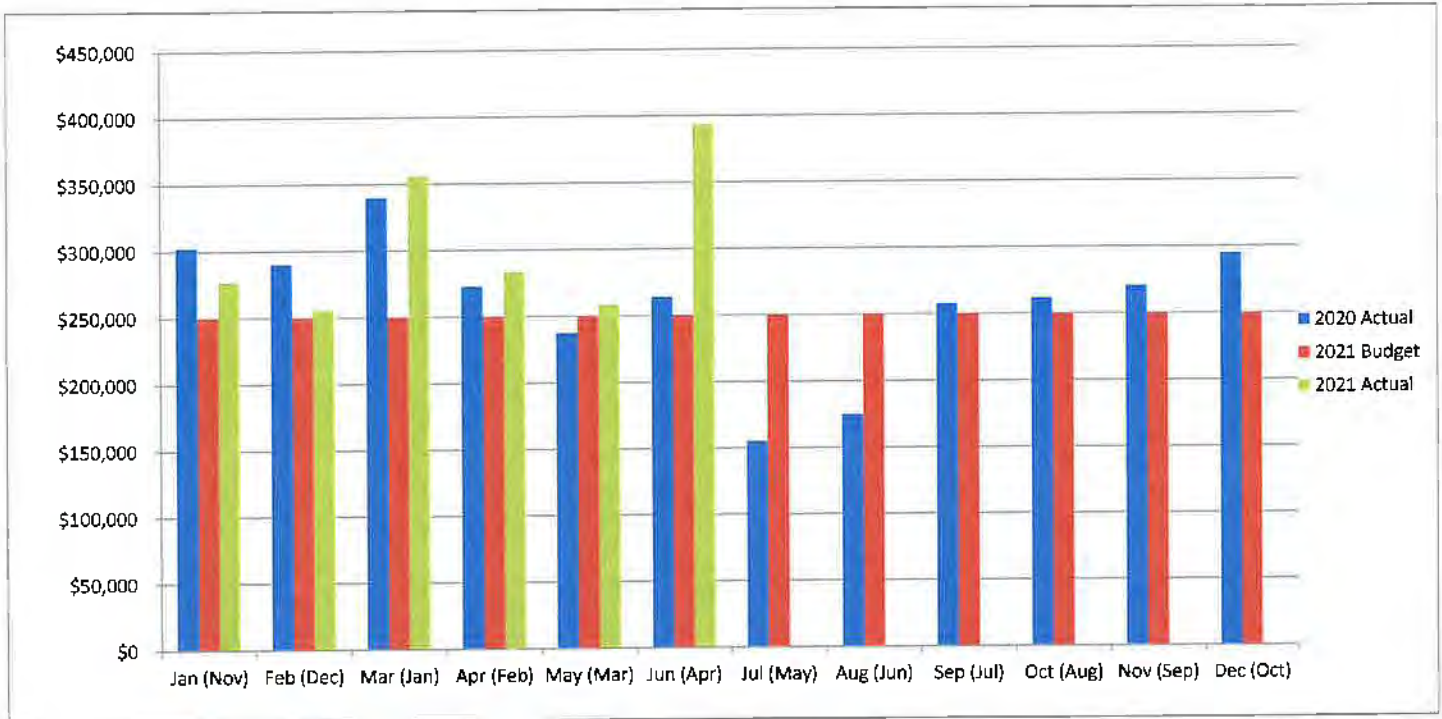
<u>Month Received</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 82,223	\$ 83,333	\$ 26,728	\$ (56,605)
Feb	74,298	83,333	33,429	(106,510)
Mar	79,749	83,333	32,353	(157,490)
Apr	27,149	83,333	51,759	(189,064)
May	37,036	83,333	41,456	(230,942)
Jun	20,225	83,333	60,723	(253,552)
Jul	30,572	83,333		
Aug	35,212	83,333		
Sep	30,656	83,333		
Oct	56,884	83,333		
Nov	32,499	83,333		
Dec	38,497	83,333		
YTD Totals	\$ 545,000	\$ 1,000,000	\$ 246,448	

Real Estate Transfer Tax



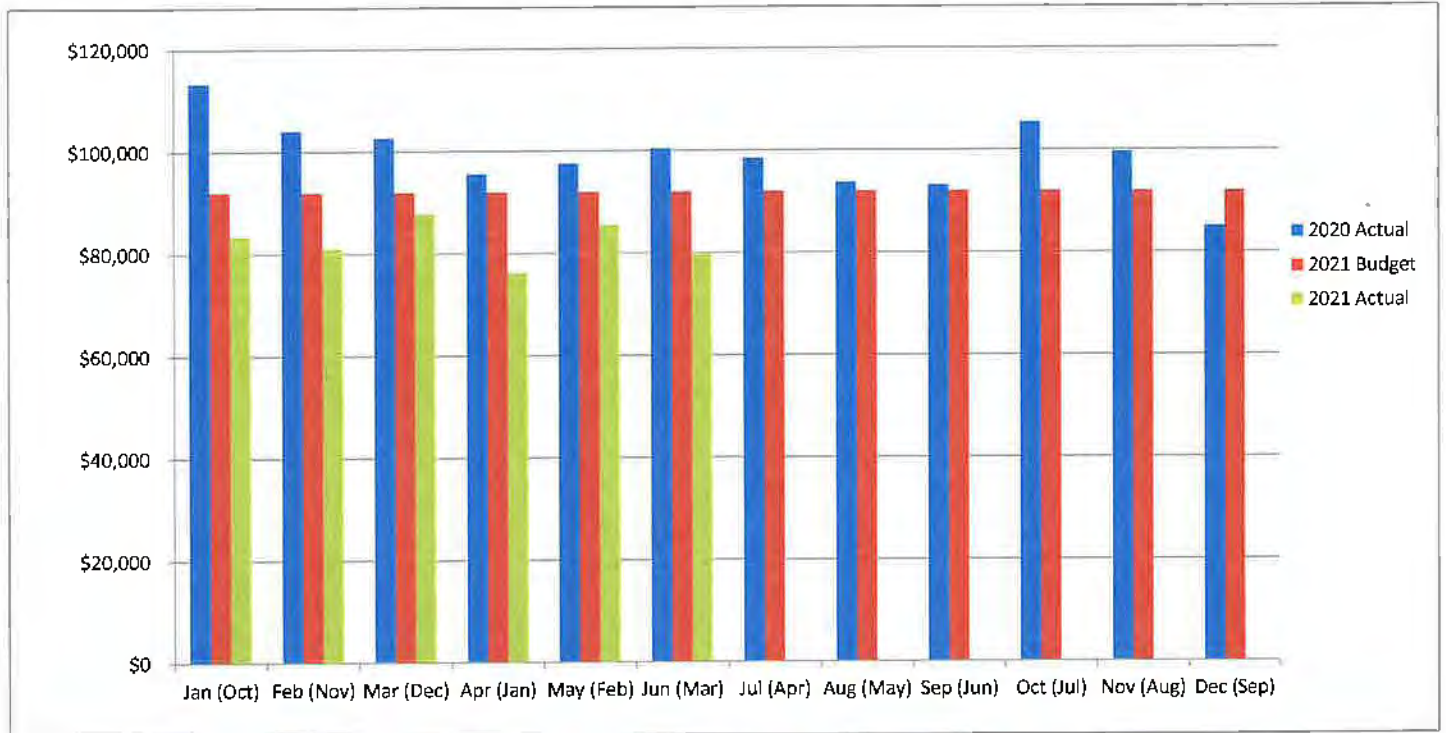
<u>Month Received</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 120,255	\$ 85,417	\$ 58,874	\$ (26,543)
Feb	32,846	85,417	42,869	(69,090)
Mar	78,510	85,417	79,495	(75,012)
Apr	51,799	85,417	155,943	(4,486)
May	62,570	85,417	91,208	1,306
Jun	178,754	85,417	130,918	46,807
Jul	97,057	85,417		
Aug	116,011	85,417		
Sep	82,776	85,417		
Oct	72,718	85,417		
Nov	70,306	85,417		
Dec	79,274	85,417		
YTD Totals	\$ 1,042,876	\$ 1,025,000	\$ 559,307	

Home Rule Sales Tax



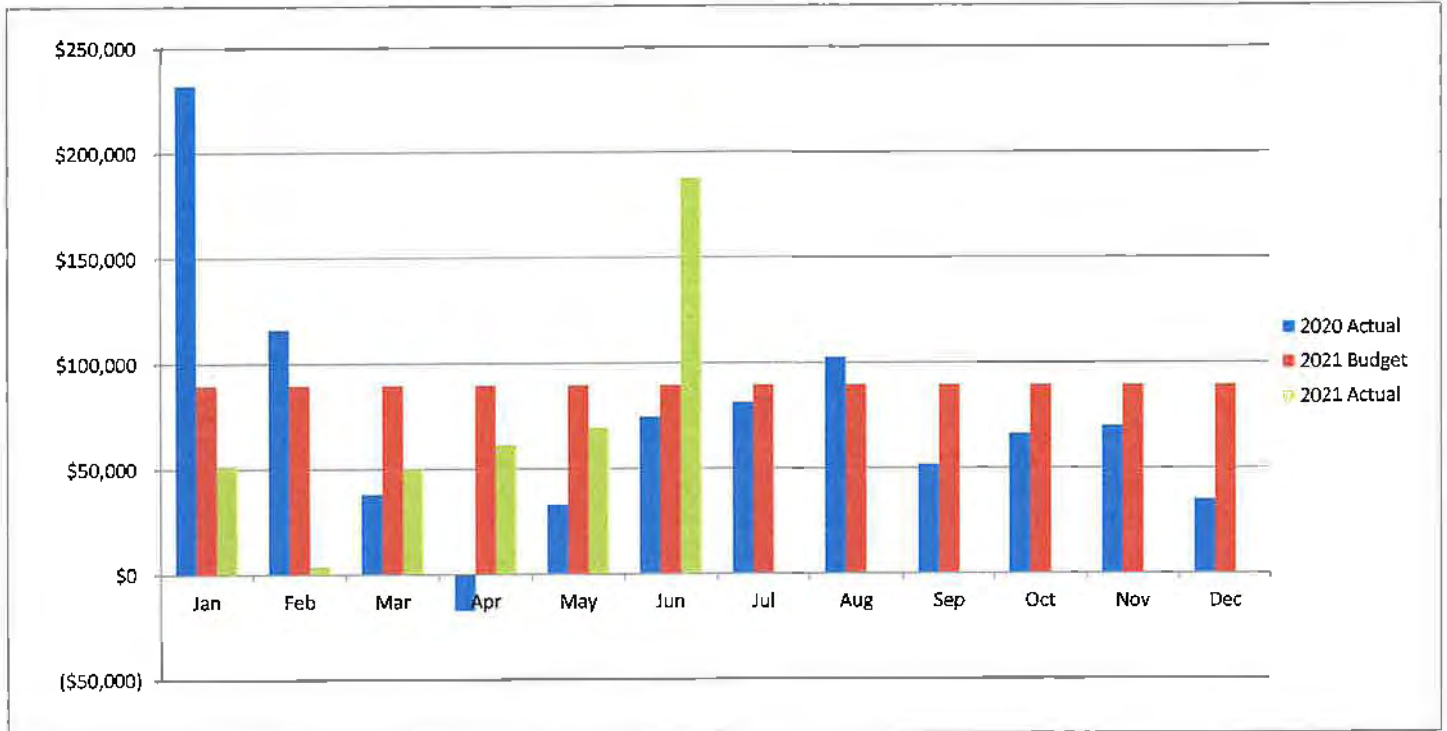
<u>Month Received (Liability Period)</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan (Nov)	\$ 302,599	\$ 250,000	\$ 277,151	\$ 27,151
Feb (Dec)	290,185	250,000	255,823	32,974
Mar (Jan)	339,755	250,000	356,150	139,124
Apr (Feb)	273,057	250,000	283,885	173,009
May (Mar)	237,508	250,000	258,679	181,688
Jun (Apr)	263,959	250,000	393,672	325,360
Jul (May)	155,042	250,000		
Aug (Jun)	174,818	250,000		
Sep (Jul)	257,602	250,000		
Oct (Aug)	261,756	250,000		
Nov (Sep)	270,358	250,000		
Dec (Oct)	294,993	250,000		
YTD Totals	\$ 3,121,631	\$ 3,000,000	\$ 1,825,360	

Telecommunications Tax



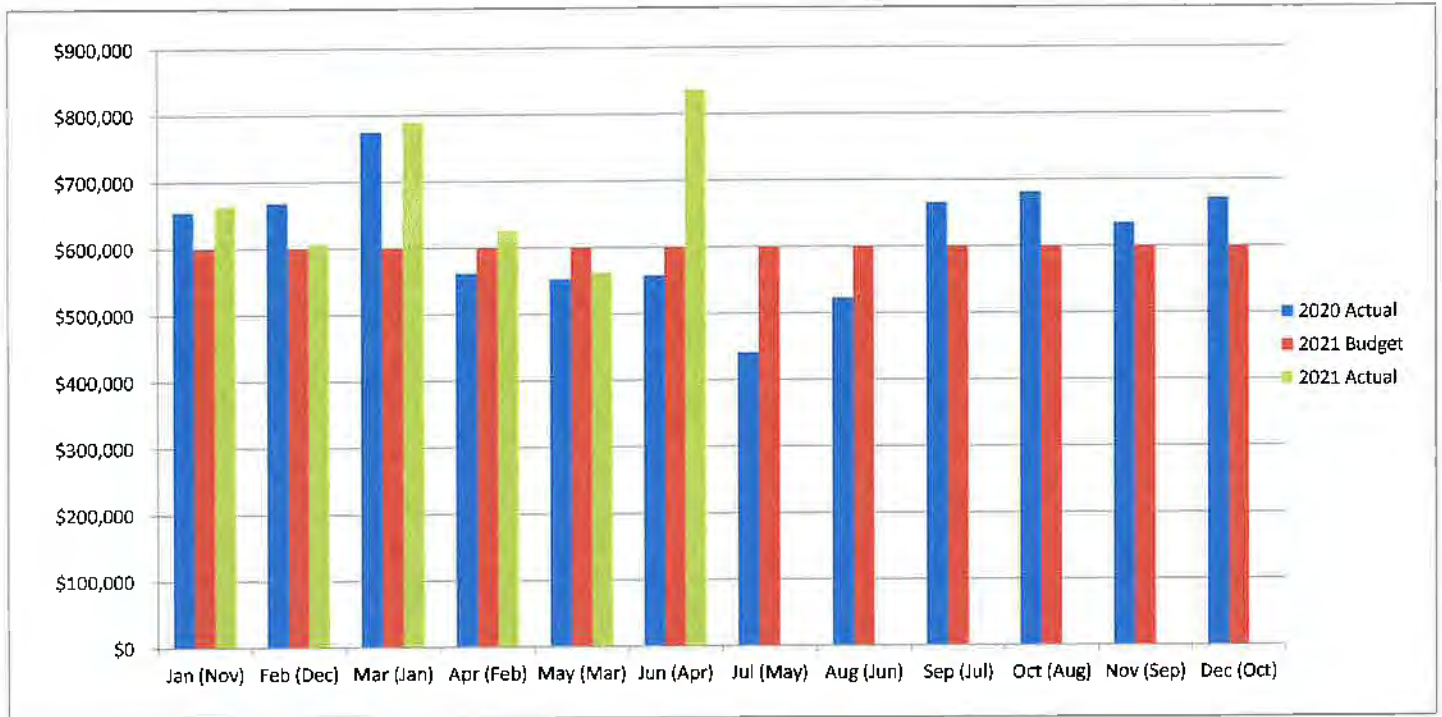
<u>Month Received (Liability Period)</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan (Oct)	\$ 113,378	\$ 92,000	\$ 83,469	\$ (8,531)
Feb (Nov)	104,057	92,000	81,074	(19,457)
Mar (Dec)	102,651	92,000	87,837	(23,620)
Apr (Jan)	95,539	92,000	76,255	(39,365)
May (Feb)	97,540	92,000	85,550	(45,815)
Jun (Mar)	100,389	92,000	79,812	(58,003)
Jul (Apr)	98,467	92,000		
Aug (May)	93,701	92,000		
Sep (Jun)	93,153	92,000		
Oct (Jul)	105,359	92,000		
Nov (Aug)	99,607	92,000		
Dec (Sep)	85,022	92,000		
YTD Totals	\$ 1,188,862	\$ 1,104,000	\$ 493,997	

Building Permits



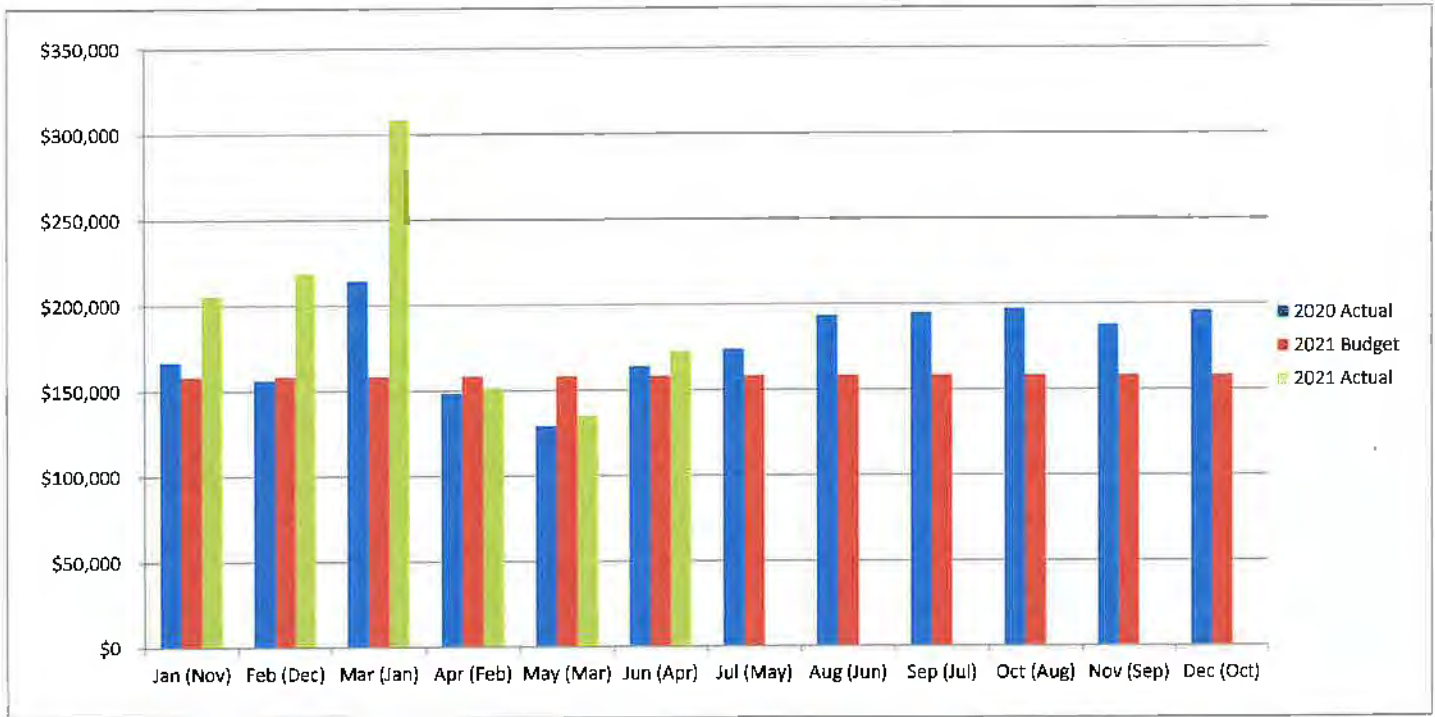
<u>Month Received</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 231,652	\$ 89,583	\$ 51,733	\$ (37,850)
Feb	116,033	89,583	3,842	(123,592)
Mar	37,924	89,583	50,114	(163,061)
Apr	(17,384)	89,583	61,384	(191,260)
May	32,716	89,583	69,400	(211,444)
Jun	74,446	89,583	187,474	(113,553)
Jul	81,259	89,583		
Aug	102,554	89,583		
Sep	51,740	89,583		
Oct	66,397	89,583		
Nov	70,095	89,583		
Dec	34,922	89,583		
YTD Totals	\$ 882,355	\$ 1,075,000	\$ 423,947	

State Sales Tax



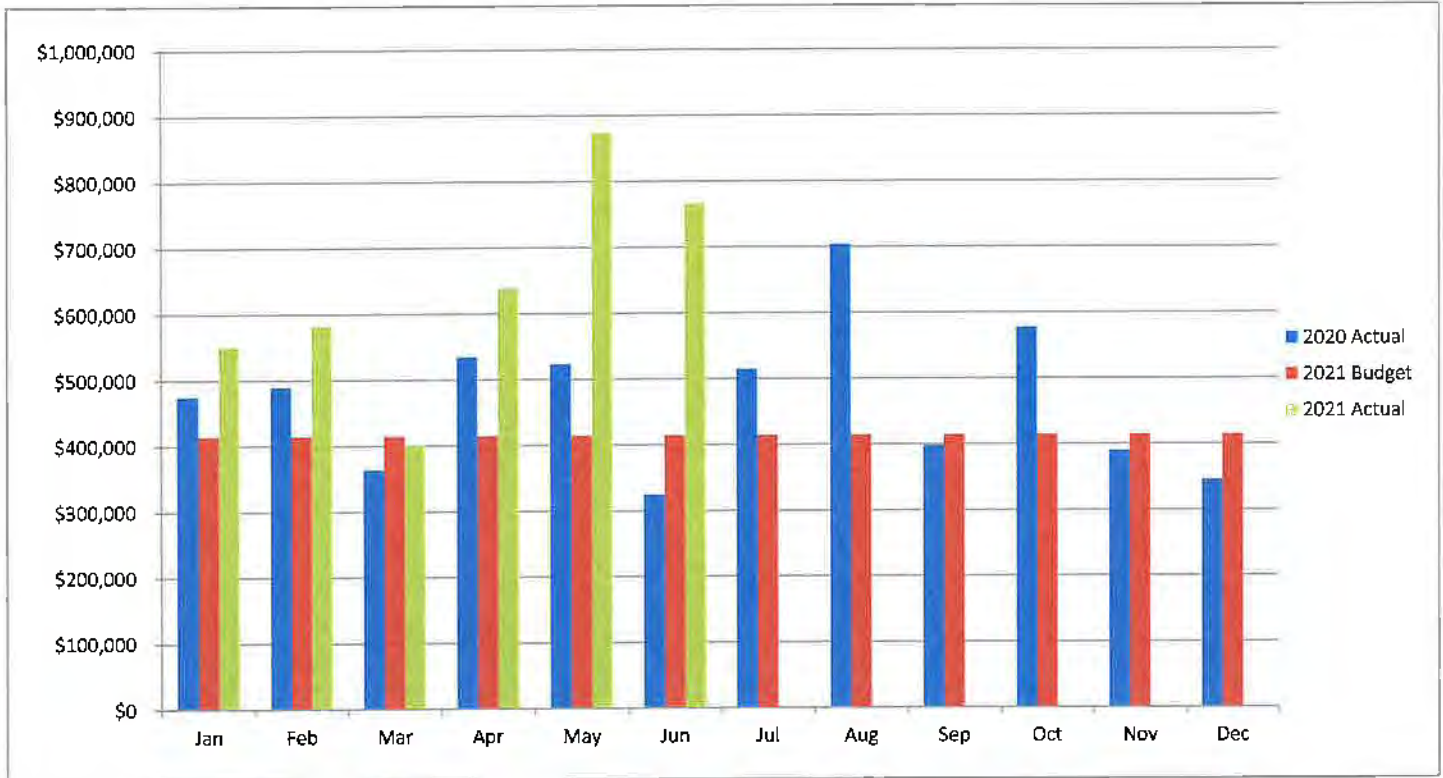
<u>Month Received (Liability Period)</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan (Nov)	\$ 654,701	\$ 600,000	\$ 664,123	\$ 64,123
Feb (Dec)	668,077	600,000	606,338	70,461
Mar (Jan)	774,498	600,000	789,650	260,111
Apr (Feb)	561,888	600,000	625,960	286,071
May (Mar)	552,432	600,000	561,998	248,069
Jun (Apr)	557,618	600,000	836,399	484,468
Jul (May)	441,480	600,000		
Aug (Jun)	523,019	600,000		
Sep (Jul)	666,044	600,000		
Oct (Aug)	681,270	600,000		
Nov (Sep)	635,102	600,000		
Dec (Oct)	672,172	600,000		
YTD Totals	<u>\$ 7,388,298</u>	<u>\$ 7,200,000</u>	<u>\$ 4,084,468</u>	

Local Use Tax



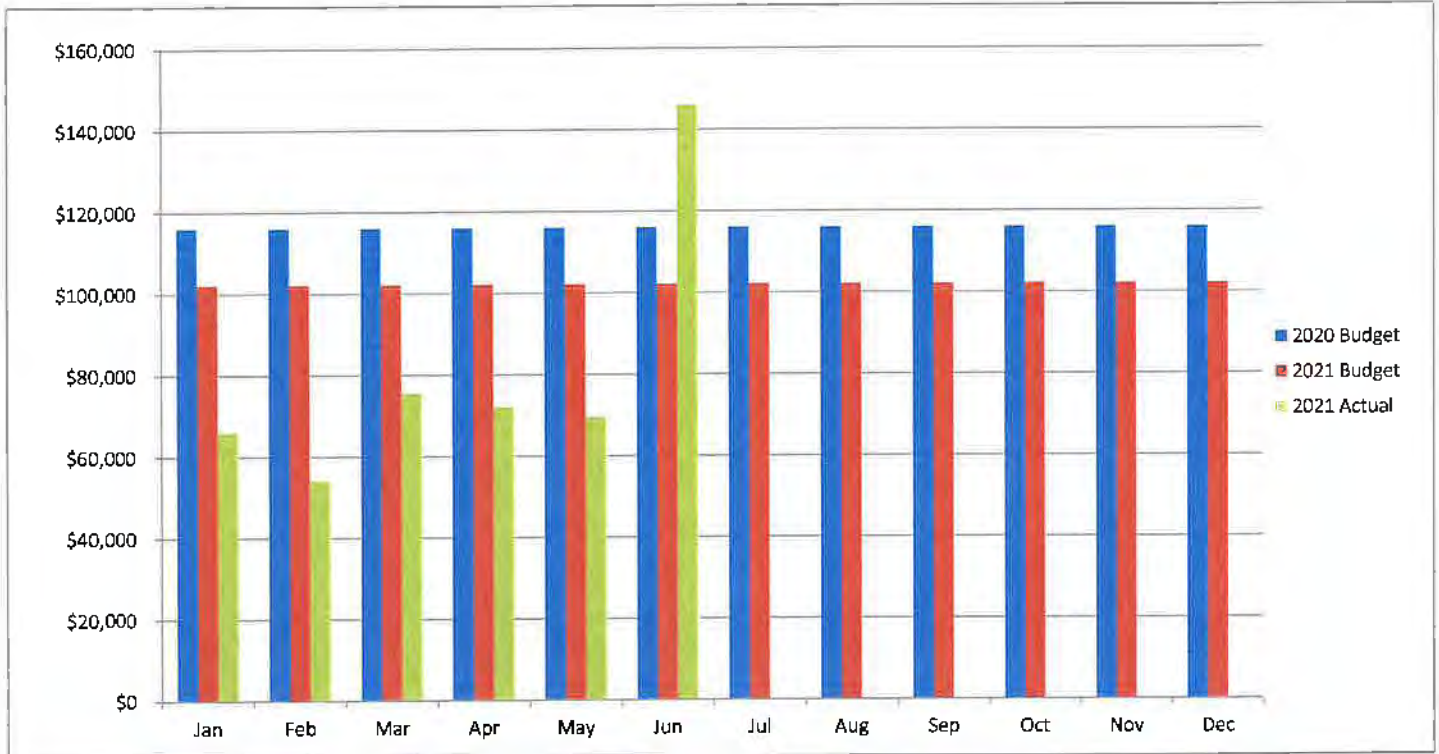
<u>Month Received (Liability Period)</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan (Nov)	\$ 166,765	\$ 158,333	\$ 205,303	\$ 46,970
Feb (Dec)	156,234	158,333	218,776	107,412
Mar (Jan)	214,375	158,333	308,720	257,799
Apr (Feb)	148,444	158,333	151,360	250,826
May (Mar)	129,000	158,333	134,964	227,456
Jun (Apr)	164,096	158,333	172,542	241,665
Jul (May)	173,719	158,333		
Aug (Jun)	193,198	158,333		
Sep (Jul)	195,046	158,333		
Oct (Aug)	197,230	158,333		
Nov (Sep)	187,809	158,333		
Dec (Oct)	195,938	158,333		
YTD Totals	\$ 2,121,851	\$ 1,900,000	\$ 1,191,665	

Income Tax



2019-2020			2020-2021			Cumulative Variance 2021 Actual vs. Budget	
Month Received	Liab Pd	2020 Actual	Month Received	2021 Budget	Liab Pd		2021 Actual
Jan	Dec-19	\$ 474,910	Jan	\$ 414,583	Dec-20	\$ 550,235	\$ 135,652
Feb	Jan-20	489,288	Feb	414,583	Jan-21	581,723	302,791
Mar	Feb-20	363,834	Mar	414,583	Feb-21	400,920	289,128
Apr	Mar-20	534,381	Apr	414,583	Mar-21	639,264	513,809
May	Apr-20	523,208	May	414,583	Apr-21	873,242	972,467
Jun	May-20	324,080	Jun	414,583	May-21	766,180	1,324,064
Jul	Jun-20	514,626	Jul	414,583	Jun-21		
Aug	Jul-20	703,605	Aug	414,583	Jul-21		
Sep	Aug-20	398,672	Sep	414,583	Aug-21		
Oct	Sep-20	577,312	Oct	414,583	Sep-21		
Nov	Oct-20	390,094	Nov	414,583	Oct-21		
Dec	Nov-20	345,364	Dec	414,583	Nov-21		
YTD Totals		<u>\$ 5,639,374</u>		<u>\$ 4,975,000</u>		<u>\$ 3,811,564</u>	

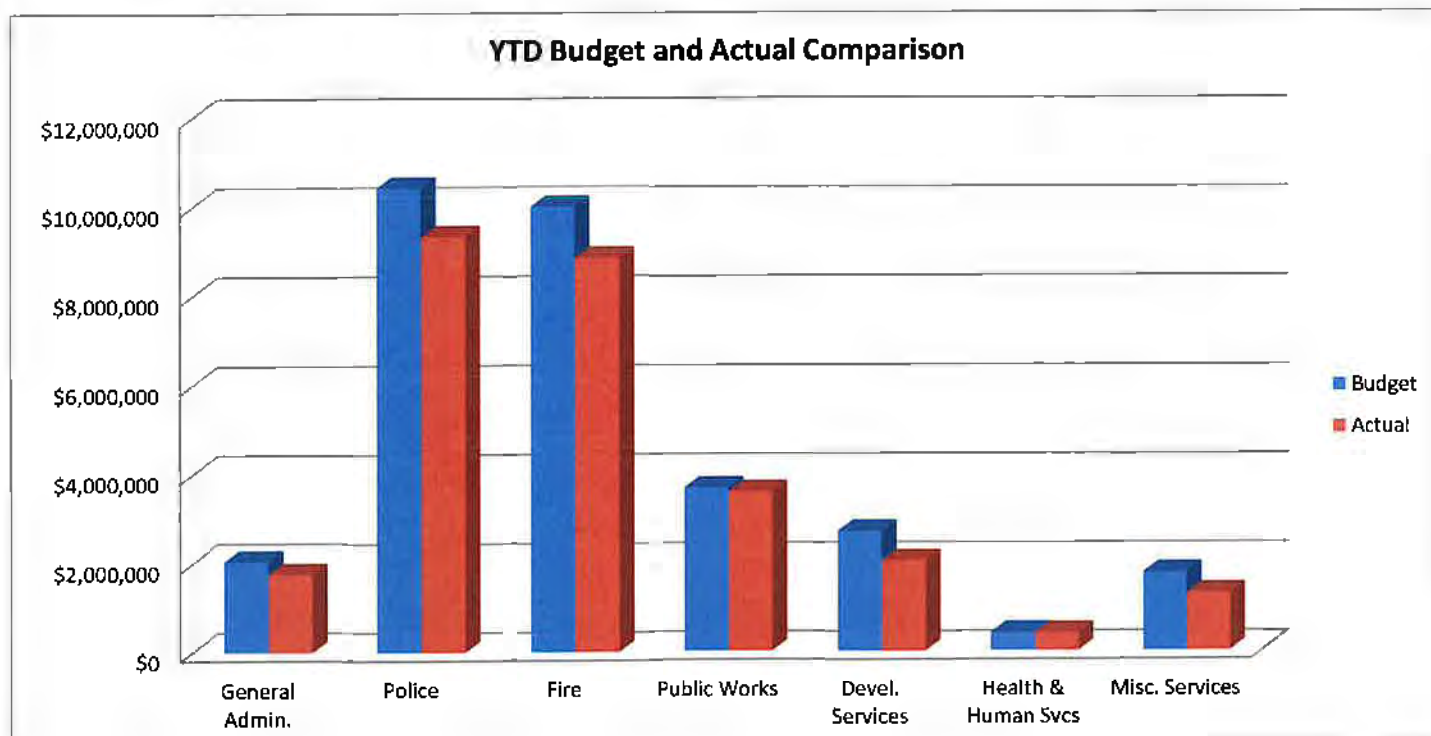
Fines



<u>Month Received</u>	<u>2020 Budget</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>Cumulative Variance 2021 Actual vs. Budget</u>
Jan	\$ 116,017	\$ 102,167	\$ 66,011	\$ (36,156)
Feb	116,017	102,167	54,027	(84,295)
Mar	116,017	102,167	75,644	(110,818)
Apr	116,017	102,167	72,130	(140,855)
May	116,017	102,167	69,575	(173,446)
Jun	116,017	102,167	146,084	(129,529)
Jul	116,017	102,167		
Aug	116,017	102,167		
Sep	116,017	102,167		
Oct	116,017	102,167		
Nov	116,017	102,167		
Dec	116,017	102,167		
YTD Totals	<u>\$ 1,392,200</u>	<u>\$ 1,226,000</u>	<u>\$ 483,471</u>	

Expenditures: General Fund expenditures in June were \$1,319,665 below the budgeted figure of \$5,165,586. The summary of year-to-date actuals versus budgeted expenditures shown below reflect mostly positive variances for the Village departments for the year. Emergency Operations is over budget due to the annual Joint Emergency Management Membership Assessment payment, which happens at the beginning of every year.

EXPENDITURES	YEAR-TO-DATE	YEAR-TO-DATE	VARIANCE
	BUDGET	ACTUAL	
Legislative	\$ 205,720	\$ 178,291	13.3%
Administration	333,440	227,033	31.9%
Legal	263,275	191,138	27.4%
Finance	578,310	553,044	4.4%
Village Clerk	117,640	102,035	13.3%
HRM	279,385	248,796	10.9%
Communications	128,075	124,994	2.4%
Cable TV	89,890	82,842	7.8%
Emergency Operations	42,740	49,702	-16.3%
Police	10,427,560	9,333,630	10.5%
Fire	9,991,185	8,846,875	11.5%
Public Works	3,679,510	3,594,499	2.3%
Development Services	2,690,425	2,034,033	24.4%
H&HS	404,425	400,910	0.9%
Miscellaneous	1,763,334	1,299,496	26.3%
TOTAL	\$ 30,994,914	\$ 27,267,316	12.0%



Department News

During the month of June, the following training sessions were attended by Finance staff:

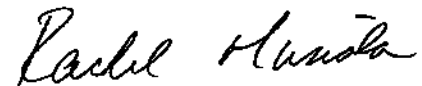
- Attended the Local Government Workshop put on by the Illinois Department of Revenue (various Finance staff).

Also during the month, Finance staff participated in the following events and planning meetings:

- The FY2020 Audit process was successfully completed, with full review and all filings accomplished during the month of June.
- The FY2022 Budget process has begun. Initial budget requests were due back from departments during the month.
- Participated in the Assessment Center for the Village's new Fire Chief (Finance Director).
- Held a Fire Protection District Board Meeting to approve their annual financial report (Finance Director).
- Attended several IGFOA Professional Education Committee planning meetings (Finance Director).

The Village recently underwent an audit of our Motor Fuel Tax revenue conducted by the Illinois Department of Transportation for the period beginning January 1, 2018 and ending December 31, 2019. The Village received favorable results from this audit with no issues noted. We are required to present this report to the Village Board and have attached it to this report.

Respectfully Submitted,



Rachel Musiala
Director of Finance



Illinois Department of Transportation

Office of Highways Project Implementation / Region 1 / District 1
201 West Center Court / Schaumburg, Illinois 60196-1096

LOCAL ROADS AND STREETS
Motor Fuel Tax – Documentation Review
Village of Hoffman Estates
Cook County

October 27, 2020

Ms. Bev Romanoff
Village Clerk
Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169

Dear Ms. Romanoff:

Enclosed is a copy of Documentation Review No. 47 covering the receipt and disbursement of Motor Fuel Tax (MFT) Funds by the Village for the period beginning January 1, 2018 and ending December 31, 2019.

This report should be presented to the Village President and Board of Trustees at the first regular meeting after receipt of this letter and filed as a permanent record.

If you have any questions or need additional information, please contact Alex Househ, Field Engineer, at (847) 705-4410 or via email at Alex.Househ@illinois.gov.

Very truly yours,

Anthony J. Quigley, P.E.
Region One Engineer

By: 
Charles F. Riddle, P.E.
Bureau Chief of Local Roads and Streets

Enclosure



Agency: VILLAGE OF HOFFMAN ESTATES	
Documentation Review for: <input checked="" type="checkbox"/> Motor Fuel Tax <input type="checkbox"/> Township Bridge <input type="checkbox"/> Special Assessment <input type="checkbox"/> G.O. Bond Issue <input type="checkbox"/> MFT Fund Bond Issue	Documentation Review Year(s): 2018 - 2019
	Documentation Review Number: 47
	Date: 10/27/2020



Documentation Reviewer's Certificate

VILLAGE OF HOFFMAN ESTATES

Documentation Review No. 47

We hereby certify that we have reviewed the books and records in so far as they pertain to the receipt and disbursement of the Motor Fuel Tax Fund of the Village of HOFFMAN ESTATES for the period beginning Jan. 1, 2018 and ending Dec. 31, 2019, and that entries for receipts in these books and records are true and correct and are in agreement with the records maintained by the Department of Transportation and that entries for disbursements are supported by cancelled warrants or checks with exceptions noted in the documentation review findings.



Reviewer

REVIEWED AND APPROVED BY



District Local Roads and Streets Engineer

Date: 11-23-2020



Fund Balance and Bank Reconciliation

VILLAGE OF HOFFMAN ESTATES

Documentation Review Report No. 47

Documentation Review Period Jan. 1, 2018 - Dec. 31, 2019

Date: October 27, 2020

Fund Balance	Unobligated	Obligated	Total	Outstanding Warrants	
Balance Previous Documentation Review	8,037,590.82	(7,422,476.80)	615,114.02		
Allotments	2,982,814.69	0.00	2,982,814.69		
Total MFT Funds	11,020,405.51	(7,422,476.80)	3,597,928.71		
Approved Authorizations	(11,911,045.52)	11,911,045.52	0.00		
Other Receipts		10,356.08	10,356.08		
Total	(890,640.01)	4,498,924.80	3,608,284.79		
Disbursements		3,458,398.38	3,458,398.38		
Surplus (Credits)	459,795.17	(459,795.17)	0.00		
Unexpended Balance	(430,844.84)	580,731.25	149,886.41		
Bank Reconciliation					
Balance in IL Fund per Bank Certificate Dec. 31, 2019			130,802.22		
Deduct Outstanding Warrants					
Add Outstanding investments			0.00		
Additions - Money Market & Cash in Checking			19,084.19		
Subtraction's					
Net Balance in Account Dec. 31, 2019			149,886.41		

Certified Correct

Ann R. Wey

 Reviewer



Summary of Motor Fuel Tax Fund Transactions
By Sections and Categories

VILLAGE OF HOFFMAN ESTATES

Documentation Review Period: January 1, 2018 - December 31, 2019

Documentation Review Report No. 47

Section	Balance Prev. Review	Total Amount Authorized	Adjustments	Other Receipts	Total Funds Available	Total Disbursements	Surplus to Unobligated Balance (Credits)	Unexpended Balance	Prev. Accumulated Disbursements	Total Accumulated Disbursements
CONSTRUCTION PROJECTS										
09-00099-00-PV										
CONSTRUCTION	(497,612.84)	620,000.00	(109,351.30)		13,035.86			13,035.86	497,612.84	606,964.14
ENGINEERING	0.00	56,000.00	(51,069.17)		4,930.83			4,930.83	0.00	51,069.17
11-00087-00-FP										
CONSTRUCTION	(860,000.00)	932,200.00	(44,148.00)		28,052.00		28,052.00	0.00	860,000.00	904,148.00
ENGINEERING	(28,052.00)	28,052.00			0.00			0.00	28,052.00	28,052.00
12-00089-00-FP										
CONSTRUCTION	341,993.00				341,993.00		341,993.00	0.00	1,308,007.00	1,308,007.00
ENGINEERING	0.00				0.00			0.00	0.00	0.00
14-00092-00-PV										
CONSTRUCTION	(3,022,071.00)	3,022,071.00			0.00			0.00	3,022,071.00	3,022,071.00
ENGINEERING	0.00				0.00			0.00	0.00	0.00
15-00093-00-PV										
CONSTRUCTION	(1,796,722.52)	1,796,722.52			0.00			0.00	1,796,722.52	1,796,722.52
ENGINEERING	0.00				0.00			0.00	0.00	0.00
16-00098-00-PV										
CONSTRUCTION	(1,100,000.00)	1,100,000.00			0.00			0.00	1,100,000.00	1,100,000.00
ENGINEERING	0.00				0.00			0.00	0.00	0.00
17-00103-00-PV										
CONSTRUCTION	(1,100,000.00)				(1,100,000.00)			(1,100,000.00)	1,100,000.00	1,100,000.00
ENGINEERING	0.00				0.00			0.00	0.00	0.00
18-00104-00-PV										
CONSTRUCTION	0.00	1,810,000.00			1,810,000.00	1,809,997.00		3.00	0.00	1,809,997.00
ENGINEERING	0.00				0.00			0.00	0.00	0.00
TOTALS	(8,062,465.36)	9,365,045.52	(204,568.47)	0.00	1,098,011.69	1,809,997.00	370,045.00	(1,082,030.31)	9,712,465.36	11,727,030.83



Summary of Motor Fuel Tax Fund Transactions
By Sections and Categories

VILLAGE OF HOFFMAN ESTATES

Documentation Review Period: January 1, 2018 - December 31, 2018

Documentation Review Report No. 47

Section	Balance	Prev. Review	Total Amount Authorized	Adjustments	Other Receipts	Total Funds Available	Total Disbursements	Surplus to Unobligated Balance (Credits)	Unexpended Balance	Prev. Accumulated Disbursements	Total Accumulated Disbursements
CONSTRUCTION PROJECTS											
19-00105-00-PV											
CONSTRUCTION		0.00	2,030,000.00			2,030,000.00	1,450,000.00		580,000.00		1,450,000.00
ENGINEERING		0.00				0.00			0.00		0.00
TOTALS		0.00	2,030,000.00	0.00	0.00	2,030,000.00	1,450,000.00	0.00	580,000.00	0.00	1,450,000.00



Summary of Motor Fuel Tax Fund Transactions
By Sections and Categories

VILLAGE OF HOFFMAN ESTATES

Documentation Review Period: January 1, 2018 - December 31, 2019

Documentation Review Report No. 47

Section	Balance Prev. Review	Total Amount Authorized	Adjustments	Other Receipts	Total Funds Available	Total Disbursements	Surplus to Unobligated Balance (Credits)	Unexpended Balance	Prev. Accumulated Disbursements	Total Accumulated Disbursements
MAINTENANCE PROGRAMS										
12-00000-00-GM										
MAINTENANCE	819.99		(819.99)		0.00			0.00	98,911.26	99,731.25
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
13-00000-00-GM										
MAINTENANCE	77,863.93		(72,766.86)		4,897.07			4,897.07	64,836.07	137,602.93
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
14-00000-00-GM										
MAINTENANCE	(77,330.77)	100,000.00			22,669.23		22,669.23	0.00	77,330.77	77,330.77
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
15-00000-00-GM										
MAINTENANCE	(118,201.40)	101,000.00	53,732.55		36,531.15		36,531.15	0.00	118,201.40	64,468.85
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
16-00000-00-GM										
MAINTENANCE	(44,787.88)		55,166.40		10,378.52		10,378.52	0.00	145,787.88	90,621.48
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
17-00000-00-GM										
MAINTENANCE	(149,827.13)	105,000.00	56,840.98		12,013.85		12,013.85	0.00	149,827.13	92,986.15
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
18-00000-00-GM										
MAINTENANCE	0.00	105,000.00			105,000.00	92,482.40		12,517.60	0.00	92,482.40
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
19-00000-00-GM										
MAINTENANCE	0.00	105,000.00			105,000.00	105,000.00		0.00	0.00	105,000.00
MAINT. ENG	0.00				0.00			0.00	0.00	0.00
TOTALS	(311,663.26)	516,000.00	92,153.08	0.00	296,489.82	197,482.40	81,592.75	17,414.67	654,894.51	760,223.83



Summary of Motor Fuel Tax Fund Transactions
By Sections and Categories

VILLAGE OF HOFFMAN ESTATES

Documentation Review Period: January 1, 2018 - December 31, 2019

Documentation Review Report No. 47

Section	Balance Prev. Review	Total Amount Authorized	Adjustments	Other Receipts	Total Funds Available	Total Disbursements	Surplus to Unobligated Balance (Credits)	Unexpended Balance	Prev. Accumulated Disbursements	Total Accumulated Disbursements
EARNED INTEREST										
11-00000-00-AC	394.36				394.36		394.36	0.00		0.00
12-00000-00-AC	614.69				614.69		614.69	0.00		0.00
13-00000-00-AC	343.73				343.73		343.73	0.00		0.00
14-00000-00-AC	63.15				63.15		63.15	0.00		0.00
15-00000-00-AC	442.67				442.67		442.67	0.00		0.00
16-00000-00-AC	1,489.92				1,489.92		1,489.92	0.00		0.00
17-00000-00-AC	4,808.90				4,808.90		4,808.90	0.00		0.00
18-00000-00-AC	0.00			5,782.55	5,782.55			5,782.55		(5,782.55)
19-00000-00-AC	0.00			4,573.53	4,573.53			4,573.53		(4,573.53)
OTHER CATEGORY										
92-00045-01-GB	1.00		(1.00)		0.00			0.00		1.00
OTHER CATEGORY										
13-00000-01-AC	400,000.00				400,000.00			400,000.00		0.00
13-00000-02-AC	400,000.00				400,000.00			400,000.00		0.00
15-00000-01-AC	143,493.40		(92,152.08)		51,341.32			51,341.32		92,152.08
19-00000-01-AC	0.00		204,568.47		204,568.47	918.98		203,649.49		(203,649.49)
					0.00			0.00		0.00
					0.00			0.00		0.00
					0.00			0.00		0.00
					0.00			0.00		0.00
					0.00			0.00		0.00
					0.00			0.00		0.00
					0.00			0.00		0.00
TOTALS	951,651.82	0.00	112,415.39	10,358.08	1,074,423.29	918.98	8,157.42	1,065,346.89	0.00	(121,852.49)

DATE	CHECK NO	SECTION	PAYEE	INVOICES	BALANCE
6/19/2018	109434	18-00104-00-PV	Plote	683,749.64	
7/17/2018	109833	18-00104-00-PV	Plote	928,466.73	
8/21/2018	110292	18-00104-00-PV	Plote	828,102.31	
			Plote	875,076.54	
9/18/2018	110655	18-00104-00-PV		-1,505,398.22	1,809,997.00
6/7/2019		19-00105-00-PV	Arrow Road Constructio	283,481.66	
7/12/2019		19-00105-00-PV	Arrow Road Constructio	602,009.05	
9/5/2019		19-00105-00-PV	Arrow Road Constructio	553,121.48	
10/11/2019		19-00105-00-PV	Arrow Road Constructio	1,376,110.55	
				-1,364,722.74	1,450,000.00
2/15/2018	108032	18-00000-00-GM	Meade Electric	296.36	
2/15/2018	108032	18-00000-00-GM	Meade Electric	525.00	
3/15/2018		18-00000-00-GM	Meade Electric	525.00	
4/12/2018		18-00000-00-GM	Meade Electric	525.00	
5/10/2018		18-00000-00-GM	Meade Electric	525.00	
5/31/2018		18-00000-00-GM	Meade Electric	683.39	
6/14/2018		18-00000-00-GM	Meade Electric	525.00	
6/27/2018		18-00000-00-GM	Meade Electric	312.52	
7/11/2018		18-00000-00-GM	Meade Electric	525.00	
8/16/2018		18-00000-00-GM	Meade Electric	525.00	
9/13/2018		18-00000-00-GM	Meade Electric	525.00	
10/11/2018		18-00000-00-GM	Meade Electric	525.00	
11/15/2018		18-00000-00-GM	Meade Electric	525.00	
12/12/2018		18-00000-00-GM	Meade Electric	525.00	
1/18/2019		18-00000-00-GM	Meade Electric	525.00	
4/12/2018		18-00000-00-GM	Cook County	3,167.00	
7/11/2018		18-00000-00-GM	Cook County	3,471.00	
11/1/2018		18-00000-00-GM	Cook County	3,623.00	
1/31/2019		18-00000-00-GM	Cook County	3,623.00	
5/10/2018		18-00000-00-GM ??	IDOT / C-91-504-12	2,268.63	
2/28/2018	108219	17-00000-00-GM	IDOT	13,747.50	
5/10/2018		18-00000-00-GM	IDOT	13,747.50	
8/16/2018		18-00000-00-GM	IDOT	13,747.50	
11/15/2018		18-00000-00-GM	IDOT	13,747.50	
2/15/2019		18-00000-00-GM	IDOT	13,747.50	
					92,482.40
4/16/2019	113372	19-00000-00-GM	Cook County	3,509.00	
		19-00000-00-GM	Cook County	3,281.00	
10/31/2019		19-00000-00-GM	Cook County	3,281.00	
1/30/2020		19-00000-00-GM	Cook County	3,281.00	
8/15/2019		19-00000-00-GM	IDOT	14,137.50	
11/13/2019		19-00000-00-GM	IDOT	23,099.58	

DATE	CHECK NO	SECTION	PAYEE	INVOICES	BALANCE
6/4/2019	113962	19-00000-00-GM	IDOT	18,257.94	
4/16/2019	113403	19-00000-00-GM	IDOT	523.67	
2/19/2019	112684	19-00000-00-GM	Meade Electric	12,312.83	
3/19/2019	113063	19-00000-00-GM	Meade Electric	525.00	
4/16/2019	113425	19-00000-00-GM	Meade Electric	525.00	
4/24/2019	113501	19-00000-00-GM	Meade Electric	469.95	
5/7/2019	113649	19-00000-00-GM	Meade Electric	932.99	
5/14/2019	113809	19-00000-00-GM	Meade Electric	525.00	
6/4/2019	113993	19-00000-00-GM	Meade Electric	428.00	
6/18/2019	114197	19-00000-00-GM	Meade Electric	525.00	
9/12/2019	115349	19-00000-00-GM	Meade Electric	525.00	
10/2/2019	115663	19-00000-00-GM	Meade Electric	1,424.94	
10/16/2019	115823	19-00000-00-GM	Meade Electric	525.00	
11/13/2019	116176	19-00000-00-GM	Meade Electric	354.68	
11/13/2019	116176	19-00000-00-GM	Meade Electric	525.00	
11/13/2019	116176	19-00000-00-GM	Meade Electric	9,099.00	
11/27/2019	116341	19-00000-00-GM	Meade Electric	322.68	
11/27/2019	116341	19-00000-00-GM	Meade Electric	1,785.43	
12/12/2019	116546	19-00000-00-GM	Meade Electric	525.00	
3/5/2019	112920		Traffic Control	5,653.00	
				-1,354.19	105,000.00
		19-00000-01-AC		918.98	918.98
TOTALS:				3,458,398.38	3,458,398.38

The
ILLINOIS
Funds

Investor Statement Page 1 of 2
for the period of: December 1, 2019 - December 31, 2019

 Investor Services: (800) 947-8479
 Internet: www.illinoisfunds.com

VILLAGE OF HOFFMAN ESTATES
MOTOR FUEL TAX FUND
1900 HASSELL RD
HOFFMAN EST IL 60169-6302

000661

Portfolio at-a-Glance

Portfolio Value Beginning 12/01/2019	\$57,738.18
+ Purchases	\$0.00
- Withdrawals	\$0.00
Portfolio Value Ending 12/31/2019	\$130,802.22

Portfolio Summary

Account Number	7139164883	Fund Name	Shares	Share Price	Market Value on 12/31/2019	% of Account Holdings
VILLAGE OF HOFFMAN ESTATES MOTOR FUEL TAX FUND		Illinois LGIP	130,802.220	\$1.00	\$130,802.22	100.0%

Account Transactions

Account Number	7139164883	Trade Date	Transaction Description	Dollar Amount	Share Price	Shares this Transaction	Total Shares Owned
Illinois LGIP/5000			Beginning Balance as of 12/01/2019	\$57,738.18	\$1.00		57,738.180
		12/13/19	TRANSFER FROM 7139106541	\$0.00	\$0.00	193,672.220	251,410.400
VILLAGE OF HOFFMAN ESTATES MOTOR FUEL TAX FUND		12/27/19	TRANSFER TO 7139108541	\$0.00	\$0.00	-120,637.000	130,573.400
		12/31/19	INCOME REINVEST	\$228.82	\$1.00	228.820	130,802.220
			Ending Balance as of 12/31/2019	\$130,802.22	\$1.00		130,802.220
Distributions:		Dividends	Cap Gains				
		REINVEST	REINVEST				



SUPERIOR
 DATE: 07/21/2020
 TIME: 15:25:07

VILLAGE OF HOFFMAN ESTATES
 GENERAL LEDGER AUDIT TRAIL

PAGE NUMBER: 1
 AUDIT221

ACCOUNTING PERIODS: 1/19 THRU 13/19

(INACTIVE ACCOUNTS INCLUDED)

SELECTION CRITERIA: genledgr.fund='03'
 TOTALED ON: FUND,ACCOUNT

FUND - 03 - MOTOR FUEL TAX FUND

ACCOUNT	DATE	T/C	REFERENCE	VENDOR/PAYER	DEBIT	CREDIT	DESCRIPTION	NET
0102			CASH, CHECKING		.00		BEGINNING BALANCE	
	12/31/18	19-1	NEW YEAR		33,155.47		BEGINNING BALANCE	
	07/09/19	19-1	CLOSE YR		10.83		TRANSFER 13TH PERIOD BAL	
	01/18/19	19-1	VENCHKS			525.00	VENDOR CHECKS	
	01/31/19	19-1	VENCHKS			3,623.00	VENDOR CHECKS	
	01/31/19	19-1	0131H		3,623.00		BILL LIST CHECKS PERIOD 1	
	01/31/19	19-1	0131GG		13.54		JPM INTEREST JAN-19	
	02/04/19	19-2	0204A			3,623.00	POST BILL LIST PERIOD 2	
	02/04/19	19-2	0204I		14.05		JPM INTEREST ADJUSTMENT	
	02/15/19	19-2	VENCHKS			14,272.50	VENDOR CHECKS	
	02/28/19	19-2	VENCHKS			5,653.00	VENDOR CHECKS	
	02/28/19	19-2	0228O		5,653.00		CORR BILL LIST TO PER 03	
	03/04/19	19-3	0304D			5,653.00	POST BILL LIST TO PER 3	
	03/14/19	19-3	VENCHKS			525.00	VENDOR CHECKS	
	03/26/19	19-3	0326		67,085.77		TRANSFER MM BALANCE	
	03/28/19	19-3	0328A			75,681.16	ELIMINATE INTERFUND	
	04/11/19	19-4	VENCHKS			4,557.67	VENDOR CHECKS	
	04/24/19	20-4				469.95	MANUAL CHECKS	
	04/26/19	19-4	0426D		15,000.00		TRSF FROM IL FUNDS TO JPM	
	05/02/19	19-5	VENCHKS			932.99	VENDOR CHECKS	
	05/09/19	19-5	VENCHKS			525.00	VENDOR CHECKS	
	05/30/19	19-5	VENCHKS			18,685.94	VENDOR CHECKS	
	05/30/19	19-5	0530G		18,685.94		POST BILL LIST TO PER 06	
	06/04/19	19-6	0604E			18,685.94	5/30/19 BILLLIST TO PER 5	
	06/13/19	19-6	VENCHKS			525.00	VENDOR CHECKS	
	06/27/19	19-6	0627		20,000.00		TRSF FROM IL FUNDS	
	08/01/19	19-8	VENCHKS			3,281.00	VENDOR CHECKS	
	08/15/19	19-8	VENCHKS			20,422.82	VENDOR CHECKS	
	08/29/19	19-8	0829H		20,000.00		TRSF FROM IL FUNDS TO JPM	
	09/12/19	19-9	VENCHKS			525.00	VENDOR CHECKS	
	10/02/19	19-10	VENCHKS			1,424.94	VENDOR CHECKS	
	10/16/19	19-10	VENCHKS			525.00	VENDOR CHECKS	
	10/31/19	19-10	VENCHKS			3,281.00	VENDOR CHECKS	
	10/31/19	19-10	1031Y		3,281.00		BILL LIST CKS PERIOD 10	
	11/05/19	19-11	1105B			3,281.00	POST 10/31 BILL LIST	
	11/13/19	19-11	VENCHKS			33,400.94	VENDOR CHECKS	
	11/25/19	19-11	1125B		50,000.00		TRSF FROM IL FUNDS TO JPM	
	11/27/19	19-11	VENCHKS			2,108.11	VENDOR CHECKS	
	11/27/19	19-11	1127A		2,108.11		POST BILL LIST TO PER 12	
	12/03/19	19-12	1203			2,108.11	POST BILL LIST TO PER 12	
	12/12/19	19-12	VENCHKS			5,208.60	VENDOR CHECKS	
	12/16/19	19-12	1216A		685.15		IMET RECOVERY DISTRIBUTH	
	12/17/19	19-12	1217D		9,273.00		COR JE1217B WRONG FUND	
TOTAL			CASH, CHECKING		19,084.19			

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUPERION
 DATE: 07/21/2020
 TIME: 15:25:07

VILLAGE OF HOFFMAN ESTATES
 GENERAL LEDGER AUDIT TRAIL

PAGE NUMBER: 2
 AUDIT221

ACCOUNTING PERIODS: 1/19 THRU 13/19

SELECTION CRITERIA: genLedgr.fund='03'
 TOTALED ON: FUND,ACCOUNT

(INACTIVE ACCOUNTS INCLUDED)

FUND - 03 - MOTOR FUEL TAX FUND

ACCOUNT	DATE	T/C	REFERENCE	VENDOR/PAYER	DEBIT	CREDIT	DESCRIPTION	NET
0102.3	CASH, CLEARING				.00		BEGINNING BALANCE	
	12/17/19	19-12	1217C		9,273.00		MFT:HIGH GROWTH ALLOTMT	
	12/17/19	19-12	1217D			9,273.00	COR JE1217B WRONG FUND	
TOTAL	CASH, CLEARING				.00			
0201	ILLINOIS FUNDS				.00		BEGINNING BALANCE	
	12/31/18	19-1	NEW YEAR		19,954.29		BEGINNING BALANCE	
	07/09/19	19-1	CLOSE YR		221.65		TRANSFER 13TH PERIOD BAL	
	01/04/19	19-1	0104A		112,714.19		MFT DEC-18	
	01/31/19	19-1	0131			169,168.00	MONTHLY OPERATING TRSF	
	01/31/19	19-1	0131a		169,168.00		REVERSE OT FOR JANUARY	
	01/31/19	19-1	0131Y		197.91		INTEREST INCOME JAN 2019	
	02/06/19	19-2	0206G		112,589.91		MFT JAN 19	
	02/28/19	19-2	02288			241,666.00	MONTHLY OPERATING TRSF	
	02/28/19	19-2	0228QQ		320.56		INTEREST INCOME FEB-19	
	03/08/19	19-3	0308		102,401.20		MFT ALLOTMENT FEB 2019	
	03/28/19	19-3	0328A			45,151.84	ELIMINATE INTERFUND	
	03/29/19	19-3	03290		143.13		RECORD INTEREST MAR 2019	
	04/05/19	19-4	0405B		97,927.13		MFT MAR-19	
	04/26/19	19-4	0426D			15,000.00	TRSF FROM IL FUNDS TO JPM	
	04/30/19	19-4	0430A			120,833.00	MONTHLY OPERATING TRSFR	
	04/30/19	19-4	0430T		191.94		IL FUNDS INTEREST APR 19	
	05/08/19	19-5	0508A		114,867.33		MFT APR-19	
	05/31/19	19-5	0531A			120,833.00	MONTHLY OPERATING TRSFS	
	05/31/19	19-5	0531X		163.17		MAY 2019 INTEREST	
	06/06/19	19-6	0606B		105,268.74		MFT - MAY -19	
	06/27/19	19-6	0627			20,000.00	TRSF FROM IL FUNDS	
	06/28/19	19-6	0628M		170.32		JUNE 2019 INTEREST	
	06/30/19	19-6	0630			120,833.00	MONTHLY OPERATING TRSF	
	06/30/19	19-6	0630A		120,833.00		REV JE 0630 REC I/F	
	07/05/19	19-7	0705A		95,966.47		IL FUNDS - MFT JUN'19	
	07/31/19	19-7	0731			120,833.00	MO OPERATING TRANSFERS	
	07/31/19	19-7	0731BB		300.07		REC REC IL FUNDS INTEREST	
	08/12/19	19-8	0812F		119,952.69		IL FUNDS MFT ALLOTMENT	
	08/29/19	19-8	0829H			20,000.00	TRSF FROM IL FUNDS TO JPM	
	08/30/19	19-8	0830Q		201.18		INTEREST INCOME AUG 2019	
	08/31/19	19-8	0831A			120,833.00	MONTHLY OPERATING TRSFR	
	09/11/19	19-9	0911C		95,242.54		IL FUNDS MFT ALLOTMENT	
	09/11/19	19-9	0911C		77,328.89		IL FUNDS MFT ALLOTMENT	
	09/30/19	19-9	0930			120,833.00	MONTHLY OPERATING TRSFR	
	09/30/19	19-9	0930M		152.66		INTEREST SEPT 19 RATE	
	10/09/19	19-10	1009C		109,542.01		IL FUNDS MFT ALLOTMENT	
	10/09/19	19-10	1009C		77,905.97		IL FUNDS MFT ALLOTMENT	
	10/30/19	19-10	1030A			120,833.00	ELIM I/F THRU IL FUNDS	

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

SUPERION
 DATE: 07/21/2020
 TIME: 15:25:07

VILLAGE OF HOFFMAN ESTATES
 GENERAL LEDGER AUDIT TRAIL

PAGE NUMBER: 3
 AUDIT221

ACCOUNTING PERIODS: 1/19 THRU 13/19

(INACTIVE ACCOUNTS INCLUDED)

SELECTION CRITERIA: genledgr.fund-'03'
 TOTALED ON: FUND,ACCOUNT

FUND - 03 - MOTOR FUEL TAX FUND

ACCOUNT	DATE	T/C	REFERENCE	VENDOR/PAYER	DEBIT	CREDIT	DESCRIPTION	NET
0201	ILLINOIS FUNDS			(cont'd)				
	10/31/19	19-10	1031			120,833.00	MONTHLY OPERATING TRANSFR	
	10/31/19	19-10	1031Z		311.33		IL FUNDS INTEREST OCT 19	
	11/05/19	19-11	1105F		101,914.42		IL FUNDS MFT ALLOTMENT	
	11/05/19	19-11	1105F		70,080.25		MFT RENEWAL FUND	
	11/25/19	19-11	1125B			50,000.00	TRSF FROM IL FUNDS TO JPM	
	11/29/19	19-11	1129N		190.07		INTEREST INCOME	
	11/30/19	19-11	1130			120,833.00	MONTHLY OPERATING TRSFR	
	12/05/19	19-12	1205B		116,536.71		IL FUNDS MFT ALLOTMENT	
	12/05/19	19-12	1205B		77,135.51		MFT RENEWAL FUND	
	12/31/19	19-12	1231			120,837.00	MNTHLY OPERATING TRSFERS	
	12/31/19	19-13	1231Y		228.82		IL FUNDS INTEREST DEC 19	
TOTAL	ILLINOIS FUNDS				130,802.22			
0202	CERTIFICATES OF DEPOSIT				.00		BEGINNING BALANCE	
	12/31/18	19-1	NEW YEAR		53,268.80		BEGINNING BALANCE	
	03/07/19	19-3	0307C			53,268.80	RECORD CD MATURITIES	
TOTAL	CERTIFICATES OF DEPOSIT				.00			
0224	MONEY MARKET				.00		BEGINNING BALANCE	
	12/31/18	19-1	NEW YEAR		12,497.88		BEGINNING BALANCE	
	07/09/19	19-1	CLOSE YR		29.46		TRANSFER 13TH PERIOD BAL	
	01/31/19	19-1	0131Z		24.44		PMA SDA INTEREST JAN-19	
	02/28/19	19-2	0228GG		22.15		PMA SDA INTEREST FEB-19	
	03/07/19	19-3	0307C		54,511.84		RECORD CD MATURITIES	
	03/26/19	19-3	0326			67,085.77	TRANSFER MM BALANCE	
TOTAL	MONEY MARKET				.00			
0227	IMET				.00		BEGINNING BALANCE	
TOTAL	IMET				.00			
0227.1	IMET-CONVENIENCE ACCT				.00		BEGINNING BALANCE	
TOTAL	IMET-CONVENIENCE ACCT				.00			
0403	ACCRUED INT. REC.				.00		BEGINNING BALANCE	
	12/31/18	19-1	NEW YEAR		1,077.45		BEGINNING BALANCE	
	07/09/19	19-1	CLOSE YR		52.93		TRANSFER 13TH PERIOD BAL	
	01/31/19	19-1	0131AA		52.93		ACCUE INTEREST JAN-19	
	02/28/19	19-2	0228HH		47.81		ACCUE INTEREST FEB-19	
	03/07/19	19-3	0307C			1,231.12	RECORD CD MATURITIES	
TOTAL	ACCRUED INT. REC.				.00			
0410	MFT ALLOTMENTS RECEIVABLE				.00		BEGINNING BALANCE	
	12/31/18	19-1	NEW YEAR		114,669.67		BEGINNING BALANCE	
	07/09/19	19-1	CLOSE YR			1,955.48	TRANSFER 13TH PERIOD BAL	

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION

MFT Agency Transaction List

Agency Name : Hoffman Estates	County : Cook	Agency Type : Municipality	District : 1		
Beginning Unobligated Balance as of 12/31/2017	\$8,037,590.82	Average MFT Allotment	\$108,865.25		
Unobligated Balance as of 12/30/2019	(\$430,844.84)	Average TRF Allotment	\$75,612.66		
Total MFT and TRF Allotment	\$2,917,616.69	Total Authorizations	\$11,911,045.52	Paid to State Debits	\$0.00
Total Supplemental Allotments	\$85,198.00	Total Credits	\$459,795.17	Paid to State Credits	\$0.00

Date	Transaction Type	Category	Section No.	Memo	Amount	Balance	Section Status
12/31/2017	Motor Fuel Tax Fund				\$114,669.67	\$8,152,260.49	
1/29/2018	Supplemental Allotment			FY2018 High Growth Cities – Second Part	\$18,729.00	\$8,170,989.49	
1/31/2018	Motor Fuel Tax Fund				\$117,400.34	\$8,288,389.83	
2/28/2018	Motor Fuel Tax Fund				\$101,710.67	\$8,390,100.50	
3/31/2018	Motor Fuel Tax Fund				\$100,826.06	\$8,490,926.56	
4/10/2018	Authorization	Maintenance	18-00000-00-GM		\$105,000.00	\$8,385,926.56	O
4/10/2018	Authorization	Contract Construct	18-00104-00-PV		\$1,810,000.00	\$6,575,926.56	O
4/30/2018	Motor Fuel Tax Fund				\$118,801.50	\$6,694,728.06	
5/31/2018	Motor Fuel Tax Fund				\$109,370.89	\$6,804,098.95	
6/21/2018	Authorization	Contract Construct	14-00092-00-PV		\$1,600,000.00	\$5,204,098.95	C
6/21/2018	Credit	Contract Construct	12-00089-00-FP		\$341,993.00	\$5,546,091.95	C
6/22/2018	Authorization	Maintenance	14-00000-00-GM		\$100,000.00	\$5,446,091.95	C
6/22/2018	Authorization	Maintenance	15-00000-00-GM		\$101,000.00	\$5,345,091.95	O
6/22/2018	Authorization	Maintenance	17-00000-00-GM		\$105,000.00	\$5,240,091.95	O
6/22/2018	Authorization	Contract Construct	11-00087-00-FP		\$932,200.00	\$4,307,891.95	O
6/22/2018	Authorization	Contract Construct	16-00098-00-PV		\$1,100,000.00	\$3,207,891.95	C
6/22/2018	Authorization	Contract Construct	15-00093-00-PV		\$1,444,360.00	\$1,763,531.95	C
6/30/2018	Motor Fuel Tax Fund				\$100,233.31	\$1,863,765.26	
7/18/2018	Authorization	Engineering	09-00099-00-PV		\$56,000.00	\$1,807,765.26	O
7/18/2018	Authorization	Contract Construct	09-00089-00-PV		\$620,000.00	\$1,187,765.26	O

Transactions with an Asterisk indicate an unprocessed transaction at the time report was requested.

Agency Name : Hoffman Estates	County : Cook	Agency Type : Municipality	District : 1		
Beginning Unobligated Balance as of 12/31/2017	\$8,037,590.82	Average MFT Allotment	\$108,965.25		
Unobligated Balance as of 12/30/2019	(\$430,844.84)	Average TRF Allotment	\$75,612.66		
Total MFT and TRF Allotment	\$2,917,616.69	Total Authorizations	\$11,911,045.52	Paid to State Debits	\$0.00
Total Supplemental Allotments	\$65,198.00	Total Credits	\$459,795.17	Paid to State Credits	\$0.00

Date	Transaction Type	Category	Section No.	Memo	Amount	Balance	Section Status
7/31/2018	Motor Fuel Tax Fund				\$117,642.52	\$1,305,407.78	
8/31/2018	Motor Fuel Tax Fund				\$113,440.95	\$1,418,848.73	
9/5/2018	Authorization	Engineering	11-00087-00-FP		\$28,052.00	\$1,390,796.73	O
9/5/2018	Credit	Maintenance	16-00000-00-GM	per MES	\$10,378.52	\$1,401,175.25	C
9/5/2018	Credit	Maintenance	17-00000-00-GM	per MES	\$12,013.85	\$1,413,189.10	O
9/5/2018	Credit	Maintenance	14-00000-00-GM	per MES & Doc Review	\$22,869.23	\$1,435,858.33	C
9/5/2018	Credit	Contract Construct	11-00087-00-FP		\$28,052.00	\$1,463,910.33	O
9/5/2018	Credit	Maintenance	15-00000-00-GM	per MES	\$36,531.15	\$1,500,441.48	O
9/17/2018	Credit	Interest		14-00000-00-AC	\$63.15	\$1,500,504.63	
9/17/2018	Credit	Interest		13-00000-00-AC	\$343.73	\$1,500,848.36	
9/17/2018	Credit	Interest		11-00000-00-AC	\$394.36	\$1,501,242.72	
9/17/2018	Credit	interest		15-00000-00-AC	\$442.67	\$1,501,685.39	
9/17/2018	Credit	Interest		12-00000-00-AC	\$614.69	\$1,502,300.08	
9/17/2018	Credit	Interest		16-00000-00-AC	\$1,489.92	\$1,503,790.00	
9/17/2018	Credit	Interest		17-00000-00-AC	\$4,808.90	\$1,508,598.90	
9/30/2018	Motor Fuel Tax Fund				\$94,762.04	\$1,603,360.94	
10/3/2018	Authorization	Contract Construct	15-00093-00-PV		\$352,362.52	\$1,250,998.42	C
10/3/2018	Authorization	Contract Construct	14-00092-00-PV		\$1,422,071.00	(\$171,072.58)	C
10/31/2018	Motor Fuel Tax Fund				\$124,329.07	(\$46,743.51)	
11/15/2018	Supplemental Allotment			FY2019 High Growth Cities	\$37,196.00	(\$9,547.51)	
11/30/2018	Motor Fuel Tax Fund				\$117,055.71	\$107,508.20	
12/31/2018	Motor Fuel Tax Fund				\$112,714.19	\$220,222.39	

Transactions with an Asterisk indicate an unprocessed transaction at the time report was requested.

Agency Name : Hoffman Estates	County : Cook	Agency Type : Municipality	District : 1		
Beginning Unobligated Balance as of 12/31/2017	\$8,037,590.82	Average MFT Allotment	\$108,965.25		
Unobligated Balance as of 12/30/2019	(\$430,844.84)	Average TRF Allotment	\$75,612.66		
Total MFT and TRF Allotment	\$2,917,616.69	Total Authorizations	\$11,911,045.52	Paid to State Debits	\$0.00
Total Supplemental Allotments	\$65,198.00	Total Credits	\$459,795.17	Paid to State Credits	\$0.00

Date	Transaction Type	Category	Section No.	Memo	Amount	Balance	Section Status
1/31/2019	Motor Fuel Tax Fund				\$112,569.91	\$332,812.30	
2/8/2019	Authorization	Maintenance	19-00000-00-GM		\$105,000.00	\$227,812.30	O
2/8/2019	Authorization	Contract Construct	19-00105-00-PV		\$2,030,000.00	(\$1,802,187.70)	O
2/28/2019	Motor Fuel Tax Fund				\$102,401.20	(\$1,699,786.50)	
3/31/2019	Motor Fuel Tax Fund				\$97,927.13	(\$1,601,859.37)	
4/30/2019	Motor Fuel Tax Fund				\$114,867.33	(\$1,486,992.04)	
5/31/2019	Motor Fuel Tax Fund				\$105,268.74	(\$1,381,723.30)	
6/30/2019	Motor Fuel Tax Fund				\$95,966.47	(\$1,285,756.83)	
7/31/2019	Motor Fuel Tax Fund				\$119,952.69	(\$1,165,804.14)	
8/31/2019	MFT Transportation Renewal Fund				\$77,328.89	(\$1,088,475.25)	
8/31/2019	Motor Fuel Tax Fund				\$85,242.54	(\$993,232.71)	
9/30/2019	MFT Transportation Renewal Fund				\$77,905.97	(\$915,326.74)	
9/30/2019	Motor Fuel Tax Fund				\$109,542.01	(\$805,784.73)	
10/31/2019	MFT Transportation Renewal Fund				\$70,080.25	(\$735,704.48)	
10/31/2019	Motor Fuel Tax Fund				\$101,914.42	(\$633,790.06)	
11/30/2019	MFT Transportation Renewal Fund				\$77,135.51	(\$556,654.55)	
11/30/2019	Motor Fuel Tax Fund				\$116,536.71	(\$440,117.84)	
12/16/2019	Supplemental Allotment			FY2020 High Growth Cities	\$9,273.00	(\$430,844.84)	

Transactions with an Asterisk indicate an unprocessed transaction at the time report was requested.

Filter Criteria: District=1,County=All,Agency=Hoffman Estates,AgencyType=Municipality,FromDate=12/31/2017,ToDate=12/30/2019,TransactionType=ALL,Category=All

Transactions with an Asterisk indicate an unprocessed transaction at the time report was requested.

Filter Criteria: District=1, County=All, Agency=Hoffman Estates, AgencyType=Municipality, FromDate=12/31/2017, ToDate=12/30/2019, TransactionType=ALL, Category=All
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MONTHLY REPORT STATISTICS

June-21

	Jun-21	YTD Jun-21	Jun-20	YTD Jun-20	% Inc / Dec	
					Month	Year
Credit Card Transactions						
Finance and Code Front Counter						
Number	389	1,844	241	1,451	61.4%	27.1%
Amount	\$ 72,316	344,588	\$ 35,910	196,625	101.4%	75.3%
Internet Sales						
Number	2,349	15,040	2,175	13,406	8.0%	12.2%
Amount	\$ 299,536	1,896,549	\$ 285,838	1,811,789	4.8%	4.7%
Total						
Number	2,738	16,884	2,416	14,857	13.3%	13.6%
Amount	\$ 371,852	2,241,137	\$ 321,748	\$ 2,008,414	15.6%	11.6%
Credit Card Company Fees						
General Fund	\$ 37	219	\$ 38	946	-3.3%	-76.9%
Water Fund	4,877	26,652	3,470	19,586	40.6%	36.1%
Total Fees	\$ 4,913	\$ 26,871	\$ 3,507	\$ 20,532	40.1%	30.9%
Accounts Receivable						
Invoices Mailed						
Number	36	237	61	354	-41.0%	-33.1%
Amount	\$ 133,827	594,814	\$ 82,216	496,263	62.8%	19.9%
Invoices Paid						
Number	47	294	59	384	-20.3%	-23.4%
Amount	\$ 73,288	602,020	\$ 110,803	545,063	-33.9%	10.4%
Reminders Sent						
Number	5	77	18	89	-72.2%	-13.5%
Amount	\$ 9,611	74,005	\$ 4,867	39,713	97.5%	86.4%
Accounts Payable						
Checks Issued						
Number	330	1,833	251	1,796	31.5%	2.1%
Amount	\$ 2,484,447	9,838,333	\$ 1,128,554	11,453,240	120.1%	-14.1%
Manual Checks Issued						
Number	15	106	8	129	87.5%	-17.8%
As % of Total Checks	4.55%	5.78%	3.19%	7.18%	42.6%	-19.5%
Amount	\$ 91,244	422,077	\$ 23,812	204,141	283.2%	106.8%
As % of Total Checks	3.67%	4.29%	2.11%	1.78%	74.1%	140.7%
Utility Billing						
New Utility Accounts	146	633	119	643	22.7%	-1.6%
Bills Mailed / Active Accounts	15,712	94,269	15,749	94,460	-0.2%	-0.2%
Final Bills Mailed	171	708	119	643	43.7%	10.1%
Shut-Off Notices	934	5,511	-	2,790	N/A	97.5%
Actual Shut-Offs	-	-	-	188	N/A	-100.0%
Total Billings	\$ 2,118,251	11,231,042	\$ 1,926,005	10,919,834	10.0%	2.8%
Direct Debit (ACH) Program						
New Accounts	65	430	64	439	1.6%	-2.1%
Total Accounts	5,058	29,784	4,591	26,836	10.2%	11.0%
As % of Active Accounts	32.19%	31.59%	29.15%	28.41%	3.0%	11.2%
Water Payments Received in Current Month						
Total Bills Mailed	15,712	94,269	15,749	94,460	-0.2%	-0.2%
ACH Payments	5,058	29,784	4,591	26,836	10.2%	11.0%
ACH Payments-% of Total Bills	32.19%	31.59%	29.15%	28.41%	10.4%	11.2%
On-line Payments (Internet Sales)	1,999	11,763	1,600	10,231	24.9%	15.0%
On-line Payments-% of Total Bills	12.72%	12.48%	10.16%	10.83%	25.2%	15.2%
Over-the-phone Payments	463	2,849	553	3,510	-16.3%	-18.8%
Over-the-phone Payments-% of Total Bills	2.95%	3.02%	3.51%	3.72%	-16.1%	-18.7%
Mail-in Payments	7,872	48,086	8,507	51,537	-7.4%	-6.7%
Mail-in Payments-% of Total Bills	50.10%	51.01%	53.98%	54.56%	-7.2%	-6.5%

WATER BILLING ANALYSIS
June 30, 2021

Residential Billings
Average Monthly Consumption/Customer

<u>Month Billed</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>
June	4,633	4,326	5,114
July	4,505	4,395	5,545
August	5,439	5,438	5,718
September	4,782	4,952	6,155
October	4,379	4,157	4,777
November	4,147	4,087	4,298
December	4,170	4,096	4,191
January	4,403	4,342	4,399
February	4,480	4,234	4,540
March	3,916	4,020	4,208
April	4,227	4,423	4,254
May	4,051	4,504	4,317
June	4,326	5,114	5,135
13 Month Average -	4,420	4,468	4,819
% Change	-3.0%	1.1%	7.9%

Total Water Customers

Average Bill

<u>Customer Type</u>	<u>Customer Type</u>			<u>Customer Type</u>	<u>Customer Type</u>		
	<u>Jun-20</u>	<u>Jun-21</u>	<u>% Change</u>		<u>Jun-20</u>	<u>Jun-21</u>	<u>% Change</u>
Residential	14,820	14,816	0.0%	Residential	\$ 70.68	\$ 73.35	3.8%
Commercial	929	896	-3.6%				
Total	15,749	15,712	-0.2%				

Total Consumption - All Customers (000,000's)

	<u>Month-To-Date</u>				<u>Year-To-Date</u>		
	<u>Jun-20</u>	<u>Jun-21</u>	<u>% Change</u>		<u>Jun-20</u>	<u>Jun-21</u>	<u>% Change</u>
Residential	76	76	0.0%	Residential	396	397	0.3%
Commercial	36	48	27.8%	Commercial	219	221	0.9%
	112	122	8.9%		615	618	0.5%

STATEMENT OF INVESTMENTS-VILLAGE

As of June 30, 2021

Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
<u>General Fund</u>						
Illinois Funds - General	09/30/86		9,282,724.97			0.023
Illinois Funds - Veterans Memorial	05/01/92		314.03			0.023
PMA iPrime	11/07/08		9,273,306.76			0.030
CD with PMA	08/22/13		5,848,500.00	5,848,500.00	5,862,443.68	0.260
			<u>24,404,845.76</u>			
<u>Motor Fuel Tax</u>						
Illinois Funds	09/30/86		149,911.57			0.023
Chase Money Market			4.86			
			<u>149,916.43</u>			
<u>Asset Seizure - Federal</u>						
Illinois Funds	06/09/99		4,372.32			0.023
<u>Asset Seizure - State</u>						
Illinois Funds	11/30/98		55,993.79			0.023
<u>Asset Seizure - BATTLE</u>						
Illinois Funds	07/10/08		845.45			0.023
<u>Municipal Waste System</u>						
Illinois Funds	08/31/98		7,977.38			0.023
<u>Central Road Corridor Improv.</u>						
Illinois Funds	12/15/88		9,807.40			0.023
PMA iPrime	11/07/08		3,780.23			0.030
			<u>13,587.63</u>			
<u>Hoffman Blvd Bridge Maintenance</u>						
Illinois Funds	07/01/98		11,259.69			0.023
PMA iPrime	02/10/11		259,502.38			0.030
			<u>270,762.07</u>			
<u>Western Corridor</u>						
Illinois Funds	06/30/01		38,593.96			0.023
PMA iPrime	01/07/09		3,315,132.14			0.030
			<u>3,353,726.10</u>			
<u>Prairie Stone Capital</u>						
Illinois Funds	08/22/91		624,657.20			0.023
PMA iPrime	02/10/11		91,555.33			-
			<u>716,212.53</u>			

STATEMENT OF INVESTMENTS-VILLAGE
As of June 30, 2021

Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
<u>Road Improvement</u>						
Illinois Funds	01/01/15		2,186,621.76			
Chase Money Market	03/06/18		1,140,119.76			0.010
PMA iPrime			907,683.31			0.030
			4,234,424.83			
<u>Capital Improvements</u>						
Illinois Funds	12/31/96		26,257.30			0.023
PMA iPrime	01/07/09		248,529.24			0.030
			274,786.54			
<u>Capital Vehicle & Equipment</u>						
Illinois Funds	12/31/96		23,468.59			0.023
PMA iPrime	01/07/09		71,272.84			0.030
			94,741.43			
<u>Capital Replacement</u>						
Illinois Funds	02/01/98		3,316.43			0.023
PMA iPrime	11/07/08		328,514.66			0.030
			331,831.09			
<u>Water and Sewer</u>						
Illinois Funds	09/30/86		10,257.07			0.023
PMA iPrime	11/07/08		753,193.25			0.030
Chase Money Market	03/06/18		7,495,505.49			0.010
			8,258,955.81			
<u>Water and Sewer-2017 Bond Projects</u>						
PMA iPrime	09/13/17		2,170,643.61			0.030
<u>Water and Sewer-2019 Bond Projects</u>						
PMA iPrime	09/13/17		537,888.92			0.030
<u>Now Arena Operating</u>						
Illinois Funds			29.05			
<u>Now Arena</u>						
H.E. Community Bank-MaxSafe			160,663.33			
<u>Insurance</u>						
Illinois Funds	11/10/87		16,453.95			0.023
PMA iPrime	11/07/08		2,176,644.29			0.030
			2,193,098.24			

STATEMENT OF INVESTMENTS-VILLAGE
As of June 30, 2021

Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
<u>Information Systems</u>						
Illinois Funds	02/01/98		81,168.46			0.023
PMA iPrime	11/07/08		611,200.46			
			692,368.92			
<u>EDA Special Tax Alloc.</u>						
PMA iPrime	11/07/08		5,477,280.70			
Chase Money Market	03/14/19		5,745,387.61			
			11,222,668.31			
<u>Roselle Road TIF</u>						
Illinois Funds	09/30/03		7,621.17			0.023
Chase Money Market			1,000,286.77			
PMA iPrime	11/07/08		114,997.55			0.030
			1,122,905.49			
<u>Barr./Higgins TIF</u>						
Illinois Funds	08/26/91		119,139.31			0.023
Chase Money Market			200,057.37			
			319,196.68			
<u>2019 Capital Project Fund</u>						
PMA iPrime	09/13/17		10,595.60			0.030
Total Investments			\$ 60,603,037.31			
Total Invested Per Institution				<u>Percent Invested</u>		
Illinois Funds			12,660,790.85	20.89		
IMET			0.00	-		
IMET Convenience Fund			0.00	-		
Chase Money Market			15,581,361.86	25.71		
CD with PMA			5,848,500.00	9.65		
HE Community Bank-MaxSafe			160,663.33	0.27		
Bank of New York Money Market			0.00	-		
ISC at PMA			26,351,721.27	43.48		
			\$60,603,037.31	100.00		
Total Invested Per Institution Excluding all Agency and EDA Funds				<u>Percent Invested</u>		
Illinois Funds			12,036,133.65	24.73		
IMET			0.00	-		
HE Community Bank-MaxSafe			160,663.33	0.33		
Chase Money Market			9,835,974.25	20.21		
CD with PMA			5,848,500.00	12.02		
ISC at PMA			20,782,885.24	42.71		
			\$48,664,156.47	100.00		

STATEMENT OF INVESTMENTS-VILLAGE As of June 30, 2021

Fund	Investment Date	Maturity Date	Book Value	Market Value	Maturity Value	Rate of Interest
Total Invested Per Fund						
Total Investments - Operating Funds				\$37,371,168.65		
Total Investments - Debt Service Funds				\$0.00		
Total Investments - Agency Funds				\$11,222,668.31		
Total Investments - Capital Projects Funds				\$12,009,200.35		
Total Investments - All Funds				\$60,603,037.31		

OPERATING REPORT SUMMARY

REVENUES

June 30, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>% ACTUAL TO BUDGET</u>	<u>BENCH-MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
General Fund							
Property Taxes	-	2,255,856	8,675,000	8,615,834	16,314,510	52.8%	
Hotel Tax	83,333	60,723	500,000	246,448	1,000,000	24.6%	
Real Estate Transfer Tax	85,417	130,918	512,500	559,307	1,025,000	54.6%	
Home Rule Sales Tax	250,000	393,672	1,500,000	1,825,360	3,000,000	60.8%	
Telecommunications Tax	92,000	79,812	552,000	493,997	1,104,000	44.7%	
Property Tax - Fire	-	1,987	2,055,000	2,000,193	4,287,700	46.6%	
Property Tax - Police	-	2,522	2,513,835	2,346,944	5,437,670	43.2%	
Other Taxes	83,382	69,227	500,290	356,822	1,000,580	35.7%	
Total Taxes	594,132	2,994,716	16,808,625	16,444,905	33,169,460	49.6%	
Business Licenses	25,000	21,287	250,000	314,825	350,000	90.0%	
Liquor Licenses	25,000	3,830	275,000	236,249	275,000	85.9%	
Building Permits	89,563	187,474	537,500	423,947	1,075,000	39.4%	
Other Licenses & Permits	917	151	5,500	1,301	11,000	11.8%	
Total Licenses & Permits	140,500	212,741	1,068,000	976,322	1,711,000	57.1%	
Sales Tax	600,000	836,399	3,600,000	4,084,467	7,200,000	56.7%	
Local Use Tax	158,333	172,542	950,000	1,191,664	1,900,000	62.7%	
State Income Tax	414,583	766,180	2,487,500	3,811,564	4,975,000	76.6%	
Replacement Tax	20,983	766	125,900	260,840	251,800	103.6%	
Other Intergovernmental	46,409	(2,809,947)	278,455	270,348	558,910	48.5%	
Total Intergovernmental	1,240,309	(1,034,041)	7,441,855	9,618,863	14,883,710	64.6%	
Engineering Fees	25,000	1,066,553	150,000	1,180,236	300,000	393.4%	
Ambulance Fees	182,500	99,025	1,095,000	729,429	2,190,000	33.3%	
Police Hireback	31,250	26,008	187,500	236,511	375,000	63.1%	
Lease Payments	42,204	90,420	253,225	409,775	506,450	80.9%	
Cable TV Fees	-	-	380,000	357,779	765,000	46.8%	
4th of July Proceeds	-	-	-	-	87,750	0.0%	
Employee Payments	133,333	156,246	800,000	916,254	1,600,000	57.3%	
Hireback - Arena	12,146	37,459	72,875	41,363	145,750	28.4%	
Rental Inspection Fees	-	2,569	125,000	217,947	275,000	79.3%	
Other Charges for Services	73,458	86,290	440,750	508,871	881,500	57.7%	
Total Charges for Services	499,892	1,564,570	3,504,350	4,598,164	7,126,450	64.5%	
Court Fines-County	10,000	36,175	60,000	36,175	120,000	30.1%	
Ticket Fines-Village	29,167	27,057	175,000	95,557	350,000	27.3%	
Overweight Truck Fines	500	390	3,000	1,830	6,000	30.5%	
Red Light Camera Revenue	54,167	67,595	325,000	315,236	650,000	48.5%	
Local Debt Recovery	8,333	14,866	50,000	34,671	100,000	34.7%	
Total Fines & Forfeits	102,167	146,084	613,000	483,470	1,226,000	39.4%	
Total Investment Earnings	22,917	1,548	137,500	9,504	275,000	3.5%	
Reimburse/Recoveries	12,500	7,714	75,000	72,824	150,000	48.5%	
S.Barrington Fuel Reimbursement	2,500	2,384	15,000	14,213	30,000	47.4%	
Shaumburg Twn Fuel Reimbursement	2,500	2,756	15,000	13,826	30,000	46.1%	
Tollway Payments	-	600	-	8,900	-	N/A	
Other Miscellaneous	19,258	9,590	115,550	33,157	231,100	14.3%	
Total Miscellaneous	36,758	23,044	220,550	142,919	441,100	32.4%	
Total Operating Transfers In	87,833	107,249	527,000	608,849	1,054,000	57.8%	
Total General Fund	2,724,508	4,015,911	30,320,880	32,883,015	59,886,720	54.9%	50.0%

**OPERATING REPORT SUMMARY
REVENUES**

June 30, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>% ACTUAL TO BUDGET</u>	<u>BENCH- MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
Water & Sewer Fund							
Water Sales	1,664,496	1,798,168	9,986,975	9,283,693	19,973,950	46.5%	
Connection Fees	1,667	24,144	10,000	33,219	20,000	166.1%	
Cross Connection Fees	3,167	3,220	19,000	19,362	38,000	51.0%	
Penalties	8,333	7,285	50,000	50,964	100,000	51.0%	
Investment Earnings	3,333	60	20,000	290	40,000	0.7%	
Other Revenue Sources	6,292	(7,566)	37,750	9,252	75,500	12.3%	
Capital Projects	-	67	-	382	2,005,000	0.0%	
Total Water Fund	1,687,288	1,825,377	10,123,725	9,397,162	22,252,450	42.2%	50.0%
Motor Fuel Tax Fund	248,917	169,572	1,493,500	2,091,762	2,987,000	70.0%	
Community Dev. Block Grant Fund	53,415	16,640	320,490	48,239	640,980	7.5%	
Asset Seizure Fund	83	2,611	500	65,837	1,000	6583.7%	
Municipal Waste System Fund	244,766	267,120	1,468,595	1,466,613	2,937,190	49.9%	
NOW Arena Operating Fund	352,152	359,070	2,112,910	2,192,552	4,225,820	51.9%	
NOW Arena Activity Fund	397,443	416,109	2,384,655	1,246,699	4,769,310	26.1%	
Stormwater Management	69,617	45,636	417,700	274,082	835,400	32.8%	
Insurance Fund	133,582	124,976	801,490	747,333	1,602,980	46.6%	
Roselle Road TIF	25,167	11,579	151,000	341,198	302,000	113.0%	
Barrington/Higgins TIF	50,478	4	302,870	395,721	605,740	65.3%	
Lakewood Center TIF	33,466	6,270	200,795	6,270	401,590	1.6%	
Higgins-Old Sutton TIF	3,587	7,020	21,520	7,020	43,040	16.3%	
Higgins/Hassell TIF	25,013	-	150,075	448,430	300,150	149.4%	
Information Systems	111,454	110,052	668,725	659,150	1,337,450	49.3%	
Total Spec Rev. & Int. Svc. Fund	1,749,138	1,536,658	10,494,825	9,990,905	20,989,650	47.6%	
TOTAL OPERATING FUNDS	6,160,933	7,377,947	50,938,430	52,271,082	103,128,820	50.7%	50.0%
2015A & C G.O. Debt Service	-	-	97,825	97,825	3,576,650	2.7%	
2015B G.O. Debt Service	-	-	14,200	14,200	123,900	0.0%	
2016 G.O. Debt Service	203	203	246,776	246,776	436,700	0.0%	
2017A & B G.O. Debt Service	-	-	53,275	53,275	177,550	0.0%	
2018 G.O. Debt Service	13,991	13,991	800,611	800,611	2,863,200	0.0%	
2019 G.O. Debt Service	-	-	-	17,587	136,700	12.9%	
TOTAL DEBT SERV. FUNDS	14,194	14,194	1,212,687	1,230,275	7,314,700	16.8%	50.0%
Central Rd. Corridor Fund	17	0	100	3	200	1.7%	
Hoffman Blvd Bridge Maintenance	125	7	750	34	1,500	2.3%	
Western Corridor Fund	62,500	82	375,000	412	750,000	0.1%	
Prairie Stone Capital Fund	833	14	5,000	215	10,000	2.1%	
Central Area Rd. Impr. Imp. Fee	13	-	75	-	150	0.0%	
Capital Improvements Fund	149,675	122,560	898,050	1,186,741	1,796,100	66.1%	
Capitel Vehicle & Equipment Fund	63,577	63,481	381,460	380,889	762,920	49.9%	
Capitel Replacement Fund	167	8	1,000	40	2,000	2.0%	
2015 Project Fund	-	0	-	2	-	N/A	
Road Improvement Fund	549,050	323,603	3,294,300	3,760,219	6,588,600	57.1%	
TOTAL CAP. PROJECT FUNDS	825,956	509,756	4,955,735	5,328,555	9,911,470	53.8%	50.0%
Police Pension Fund	583,839	65,873	3,503,035	12,574,948	7,006,070	179.5%	
Fire Pension Fund	513,008	1,122,227	3,078,050	9,994,904	6,156,100	162.4%	
TOTAL TRUST FUNDS	1,096,848	1,188,099	6,581,085	22,569,852	13,162,170	171.5%	50.0%
TOTAL ALL FUNDS	8,097,930	9,089,996	63,688,937	81,399,765	133,517,160	61.0%	50.0%

OPERATING REPORT SUMMARY
EXPENDITURES
June 30, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>%</u>	<u>BENCH-MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
General Fund							
General Admin.							
Legislative	34,287	30,520	205,720	178,291	411,440	43.3%	
Administration	55,573	43,974	333,440	227,033	666,880	34.0%	
Legal	43,879	59,985	263,275	191,138	526,550	36.3%	
Finance	96,385	80,296	578,310	553,044	1,156,620	47.8%	
Village Clerk	19,607	17,458	117,640	102,035	235,280	43.4%	
Human Resource Mgmt.	46,564	52,721	279,385	248,796	558,770	44.5%	
Communications	21,346	15,768	128,075	124,994	256,150	48.8%	
Cable TV	14,982	14,179	89,890	82,842	179,780	46.1%	
Emergency Operations	7,123	3,712	42,740	49,702	85,480	58.1%	
Total General Admin.	339,746	318,611	2,038,475	1,757,874	4,076,950	43.1%	50.0%
Police Department							
Administration	126,184	86,113	757,105	621,451	1,514,210	41.0%	
Juvenile Investigations	50,618	29,647	303,710	259,908	607,420	42.8%	
Tactical	101,305	63,656	607,830	510,232	1,215,660	42.0%	
Patrol and Response	1,043,244	646,667	6,259,465	5,705,468	12,518,930	45.6%	
Traffic	98,136	62,062	588,815	448,112	1,177,630	38.1%	
Investigations	131,437	86,457	788,620	712,462	1,577,240	45.2%	
Community Relations	542	1,411	3,250	2,095	6,500	32.2%	
Communications	47,509	47,509	285,055	332,563	570,110	58.3%	
Canine	17,853	11,198	107,115	96,009	214,230	44.8%	
Special Services	14,937	42,090	89,620	55,296	179,240	30.9%	
Records	25,927	24,311	155,560	145,219	311,120	46.7%	
Administrative Services	80,236	72,633	481,415	444,816	962,830	46.2%	
Total Police	1,737,927	1,173,753	10,427,560	9,333,630	20,855,120	44.8%	50.0%
Fire Department							
Administration	76,858	50,957	461,150	327,866	922,300	35.5%	
Public Education	6,322	3,052	37,930	21,833	75,860	28.8%	
Suppression	818,720	561,497	4,912,320	4,355,891	9,824,640	44.3%	
Emer. Med. Serv.	709,165	490,402	4,254,990	3,889,731	8,509,980	45.7%	
Prevention	50,766	19,675	304,595	235,387	609,190	38.6%	
Fire Stations	3,367	616	20,200	16,167	40,400	40.0%	
Total Fire	1,665,198	1,126,200	9,991,185	8,846,875	19,982,370	44.3%	50.0%
Public Works Department							
Administration	31,975	30,843	191,850	197,771	383,700	51.5%	
Snow/Ice Control	153,408	75,675	920,445	1,298,397	1,840,890	70.5%	
Pavement Maintenance	44,018	31,641	264,105	177,922	528,210	33.7%	
Forestry	90,138	99,601	540,825	393,175	1,081,650	36.3%	
Facilities	96,732	91,326	580,390	474,267	1,160,780	40.9%	
Fleet Services	100,697	122,233	604,180	574,102	1,208,360	47.5%	
F.A.S.T.	16,208	11,908	97,250	62,253	194,500	32.0%	
Storm Sewers	14,422	16,845	86,530	71,625	173,060	41.4%	
Traffic Control	65,656	57,254	393,935	344,987	787,870	43.8%	
Total Public Works	613,252	537,326	3,679,510	3,594,499	7,359,020	48.8%	50.0%

OPERATING REPORT SUMMARY
EXPENDITURES
June 30, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>%</u>	<u>BENCH-MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
Development Services							
Administration	35,212	32,303	211,270	193,874	422,540	45.9%	
Planning & Transportation	53,233	43,477	319,395	287,908	638,790	45.1%	
Code Enforcement	134,493	122,982	806,960	728,361	1,613,920	45.1%	
Engineering	101,606	101,045	609,635	536,444	1,219,270	44.0%	
Economic Development	123,861	163,651	743,165	287,447	1,486,330	19.3%	
Total Development Services	448,404	463,458	2,690,425	2,034,033	5,380,850	37.8%	50.0%
Health & Human Services	67,404	68,260	404,425	400,910	808,850	49.6%	50.0%
Miscellaneous							
4th of July	-	-	1,399	1,399	155,070	0.9%	
Police & Fire Comm.	8,513	815	51,080	3,864	102,160	3.8%	
Misc. Boards & Comm.	20,299	12,496	121,795	47,941	243,590	19.7%	
Misc. Public Improvements	264,843	145,002	1,589,060	1,246,293	3,178,120	39.2%	
Total Miscellaneous	293,656	158,313	1,763,334	1,299,496	3,678,940	35.3%	50.0%
Total General Fund	5,165,586	3,845,921	30,994,914	27,267,316	62,142,100	43.9%	50.0%
Water & Sewer Fund							
Water Department	1,102,568	1,136,669	6,615,405	6,223,602	13,230,810	47.0%	
Sewer Department	192,333	162,425	1,154,000	955,662	2,308,000	41.4%	
Billing Division	73,483	74,036	440,895	434,682	881,790	49.3%	
Capital Projects Division	383,415	383,415	554,730	554,730	3,560,860	15.6%	
2015 Bond Capital Projects	-	-	61,275	61,275	422,500	14.5%	
2017 Bond Capital Projects	14,184	14,184	427,603	427,603	1,435,620	29.8%	
2018 Bond Capital Projects	-	-	123,819	123,819	247,640	50.0%	
2019 Bond Capital Projects	20,841	20,841	335,958	335,958	622,530	54.0%	
Total Water & Sewer	1,786,823	1,791,569	9,713,685	9,117,330	22,709,750	40.1%	50.0%
Motor Fuel Tax	139,349	139,349	2,585,572	2,585,572	3,480,000	74.3%	
Community Dev. Block Grant Fund	22,411	22,411	49,513	49,513	585,550	8.5%	
Asset Seizure Fund	23,791	41,287	142,745	213,201	285,490	74.7%	
Municipal Waste System	248,263	246,479	1,489,575	1,294,133	2,979,150	43.4%	
NOW Arena Operating Fund	357,765	162,659	2,146,590	1,208,811	4,293,180	28.2%	
NOW Arena Activity Fund	397,443	169,668	2,384,655	915,569	4,769,310	19.2%	
Stormwater Management	42,354	-	254,125	6,625	508,250	1.3%	
Insurance	147,810	57,248	886,860	1,102,685	1,773,720	62.2%	
Information Systems	145,621	141,293	873,725	983,977	1,747,450	56.3%	
Roselle Road TIF	139,003	2,890	834,020	2,890	1,668,040	0.2%	
Barrington/Higgins TIF	1,087	4,060	6,520	4,205	13,040	32.2%	
Lakewood Center TIF	33,466	6,270	200,795	6,270	401,590	1.6%	
Higgins-Old Sutton TIF	3,587	7,020	21,520	7,020	43,040		
Higgins/Hassell TIF	420	2,890	2,520	451,392	5,040	8956.2%	
TOTAL OPERATING FUNDS	8,654,777	6,641,014	52,587,334	45,216,510	107,404,700	42.1%	50.0%
2015A G.O. Debt Service	-	-	772,821	772,821	3,576,650	21.6%	
2015 G.O. Debt Service	-	-	14,200	14,200	123,900	11.5%	
2016 G.O. Debt Service	-	-	166,325	166,325	437,200	38.0%	
2017A & B G.O. Debt Service	-	-	53,275	53,275	177,550	30.0%	
2018 G.O. Debt Service	-	-	618,850	618,850	2,863,200	21.6%	
2019 G.O. Debt Service	-	-	17,587	17,587	136,700	12.9%	
TOTAL DEBT SERV. FUNDS	-	-	1,643,059	1,643,059	7,315,200	22.5%	50.0%

OPERATING REPORT SUMMARY
EXPENDITURES
June 30, 2021

	<u>CURRENT MONTH</u>		<u>YEAR-TO-DATE</u>		<u>ANNUAL BUDGET</u>	<u>%</u>	<u>BENCH-MARK</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>			
Western Corridor Fund	33,333	33,333	200,000	199,998	400,000	50.0%	
Prairie Stone Capital Fund	56,667	(10,277)	340,000	98,430	680,000	14.5%	
Western Area Traffic Imp.	-	-	-	3,638	-	N/A	
Capital Improvements Fund	168,444	92,240	1,010,665	529,385	2,021,330	26.2%	
Capital Vehicle & Equipment Fund	63,477	12,872	380,860	339,234	761,720	44.5%	
Capital Replacement Fund	58,333	58,333	350,000	349,998	700,000	50.0%	
2015 Project Fund	-	17,198	-	34,397	-	N/A	
Road Improvement Fund	554,635	1,125,247	3,327,810	1,795,018	6,655,620	27.0%	
TOTAL CAP. PROJECT FUNDS	934,889	1,328,945	5,609,335	3,350,097	11,218,670	29.9%	50.0%
Police Pension Fund	613,029	638,744	3,678,175	3,879,893	7,356,350	52.7%	
Fire Pension Fund	553,209	586,086	3,319,255	3,573,138	6,638,510	53.8%	
TOTAL TRUST FUNDS	1,166,238	1,224,830	6,997,430	7,453,030	13,994,860	53.3%	50.0%
TOTAL ALL FUNDS	10,755,904	9,194,789	66,837,157	57,662,697	139,933,430	41.2%	50.0%



2021 JUNE MONTHLY REPORT

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June Synopsis

- This month was dedicated to ramping up and making strides with our CentralSquare Community Development TRAKiT implementation. In all, there were 23 engagements involving Development Services staff and/or CentralSquare personnel to plan, test, and/or train in set up and use of the application and to assist in the completion of the workbooks.

CentralSquare/GovQA Support Cases

- Opened and closed case to have Fire Department Employee's password reset.
- Opened and closed case to have SQL script run to update RRL License Deadline date.
- Requested copy of Community Development Data Dictionary for use in report writing.
- Worked with support to add new users and to terminate accounts for staff ending their employment with the Village.

Project Activities

- Provided completed Spatial Rules for CentralSquare's GIS Consultant to use.
- Coordinated meeting set up for the various areas to be addressed. Enter a large number of Fresh Desk tickets this month to record issues/questions we have.
- During our testing sessions, we found no program errors that would require CST Developers to resolve. Instead, the solution was found in a change in the setup of the various modules' options.
- Attended weekly meetings related to the Community Development Project timeline.
- Attended a discussion on the Forms and Reports available within the Community Development Software for Code, Projects and Permit modules.
- Participated in the Code Enforcement, Permit and Project module initial testing which spanned over two weeks.
- Added issues and questions to the Community Development Issues Spreadsheet that were found during the initial testing of the Code, Permit and Project modules.
- Created Fresh Desk tickets to address issues found during initial testing.
- Attended System Administration Training for the Community Development software.
- Attended an eTRAKiT workbook Introduction session.
- Attended a CRM workbook Introduction sessions.
- Attended a Spatial Rule workbook discussion including training on how to add a spatial rule the Community Development Administration Software.
- Attended an eTRAKiT workbook discussion and started filling out the document.

- Attended a CRM workbook discussion and started filling out the excel workbook.
- Discussed the Engineering fees and updated the Permit Workbook to include calculations.
- Attended a meeting with CentralSquare's consultant to discuss issues with iPad.

Work Orders

- Contacted GovQA to obtain the person to have Public Works to work with to implement APIs between Cartegraph and GovQA. Provided the information to Aaron Howe.
- Created SQL script to update RRL License Deadline date.
- Applied Business License Penalties.
- Applied Pet License Penalties.
- Assisted user with GOVQA and accessing it with incorrect URL.
- Added Finance Employee to approve PW Requisitions while PW employee was out of office.
- Assisted user with resetting password for CentralSquare.
- Created a new Cognos report for Home Businesses still owing their licensing fees and penalties for the Clerk's Office.
- Ran the Penalty Process for Residential Rental Licenses that remain unpaid in June.

Administration

- Prepared monthly report.
- Processed Payroll for department employees on 6/14/21 and 6/28/21.

Training

- Held six three-hour sessions with Development Services staff to review how the Community Development Permits, Projects, and Code Compliance applications are used and options available.
- Participated in System Admin Training for Community Development Applications and eTRAKiT.

Meetings

- Biweekly meeting with IS Director on June 1, 14, and 28, 2021, to discuss projects' progress and other tasks.

Geographic Information System Review

June Synopsis

- *Aerial Service Troubleshooting:* June started off with an issue that took some time to pinpoint. Because it happened so close to the power outage, it was assumed that some piece of information or link may have been broken. After a few days of basic testing with ESRI support, our IS staff stepped in and spent time looking into other potential causes, namely, changes in the GIS server antivirus. This indeed proved to be the issue. While there were no updates that sparked the change, the antivirus was citing our aerial files as threats. IS staff whitelisted these files and our services were back up and running as expected.
- *Community Development:* In June we began modifying all of our parcel and address point addressing to match USPS standards, as part of the Community Plus integration. This was necessary as many of our address suffixes were working off of an outdated NWCDS standard (i.e. AV, BLV, PKW, WY, etc). 887 updates were made to parcels and 2,273 to address points. While doing this work, additional attribute information was added to distinguish unit types within our address point data. This will allow someone to query all address points that are units. An additional 1,616 address points were modified to match both the USPS and Community Plus standard for addresses with units. A number of short python scripts were used to isolate and populate these updates. Also in June, several services were configured to accommodate the current Community Development training and integration. Our aerial service was finally configured along with a new address locator (search bar results). Both services are up and running, though the address locator service is not working as expected. Users have to type in most of the address before it will list results. Results should list as soon as the user begins typing. This has been noted in a service ticket on the topic.

Work Orders

- Webmap Request: aerial service config (CSQR)
- Webmap Request: address locator service config (CSQR)
- Webmap Request: update fire features' symbology (FD)
- Map Request: georeferenced drone imagery for 1195 Woodcreek (PW)
- Map Request: Sanitary updates for Pipetech on TV truck (PW)
- Map Request: Garage Sales (GG)
- Map Request: utilities at Ring Rd and Hoffman Blvd for Enright Architects (DS-E)
- Map Request: MWRD sanitary route at Sutton Crossing for Haeger Eng. (DS-E)
- Data Request: merge road construction segments for dashboard (DS-T)
- Data Request: garage sale locations table export (GG)

Administration

- Monthly report
- Aerial service troubleshooting with IS (solved: Antivirus software blocked aerials)
- ESRI case opened for aerial service on 6/2
- JADE Hanna Surveyors follow up for Barrington Square
- ArcGIS shortcut added to Planning PC
- NWCDS correspondence regarding address suffix updates and incident locations
- Fresh Desk setup
- Spatial Advisor Rules workbook updates

Training

- Cartegraph OMS GIS Technical Overview (6/16)

Meetings

- Bi-Weekly w/F. Besenhoffer (6/2, 6/14, 6/28)
- Cartegraph ESRI tech specs (6/4)
- Community Development: Locations and Owners (6/7)
- Community Development: Spatial Rules (6/10)
- Community Development: GIS questions (6/18)
- Cook County Municipal GIS (6/22)

Project Activities

Project – Motorola P1

- During the month of June, I.S. staff continued to work on Motorola P1 CAD System. During the stabilization phase, I.S. Staff was able to identify few computers that were misconfigured and fixed the local configuration issues. Majority of problems were addressed by Motorola and NWCD team. There are however few issues, that might have something to do with the network configurations. Motorola, NWCD IT team and IT teams from other towns work together on rectifying the intermittent issues. I.S. Staff continuously monitors the situation, and addresses the issues as they become evident.

Project – Desktop Computer Rollout

- During the month of June I.S. Staff finished deploying all desktop computers designated for 2021 rollout. All fifty computers were deployed with minimal impact on user's productivity.

Project – Windows 10 Upgrades

- During the month of June, I.S. Staff started a manual upgrade process to update our desktop computers to Windows 10. Due to the pandemic and the fact that PC replacements were removed from 2020 budget, we fell behind with Windows 7 computer replacements. Because Microsoft no longer supports Windows 7, I.S. Staff initiated manual upgrade process on all computers containing windows 7 operating systems. During the month of June, we were able to upgrade computers in Fire Department as well as Village Hall.

Project – DLS Internet Service

- I.S. Staff along with representatives from AT&T and DLS completed the turn up of the new circuit.

Security and Other Updates

- I.S. Staff configured and implemented DHCP failover.
- I.S. Staff established LexisNexis data transfer to CARFAX.
- I.S. Staff installed and configured additional two domain controllers.
- I.S. Staff reverted workstation setup in finance department to the pre-covid format.
- I.S. Staff continues monitor and update Windows Servers with patches, updates and other security installations.
- I.S. Staff continues to update and monitor anti-virus system to ensure at most reliability and safety.
- I.S. Staff continues to monitor and adjust if necessary all of our backup jobs.
- I.S. Staff updated and reorganized our network documentation in order to reflect new changes.
- I.S. Staff continues to deploy KnowBe4 email campaign.
- I.S. Staff performed general WSUS Update and service cleanup.

Training

- I.S. Staff conducted four new user orientation meeting for our new employee.

Meetings

- I.S. Staff met to discuss switch replacements.
- I.S. Staff met to discuss disaster recovery.
- I.S. Staff met and discussed two factor authentication.
- I.S. Staff attended meeting to discuss new Mobile Map application for Fire Department.

Technical Support, Hardware & Software Activities

- Applied necessary software updates as needed.
- 220 Help desk requests were opened during the month of June.
- 214 Help desk requests were closed during the month of June.
- Self Service Password Resets or Account Unlocks: 4
- Email passwords reset: 0
- SunGard passwords reset: 1
- Voicemail passwords reset: 0
- User accounts unlocked: 3

- Active Directory Password Resets: 1

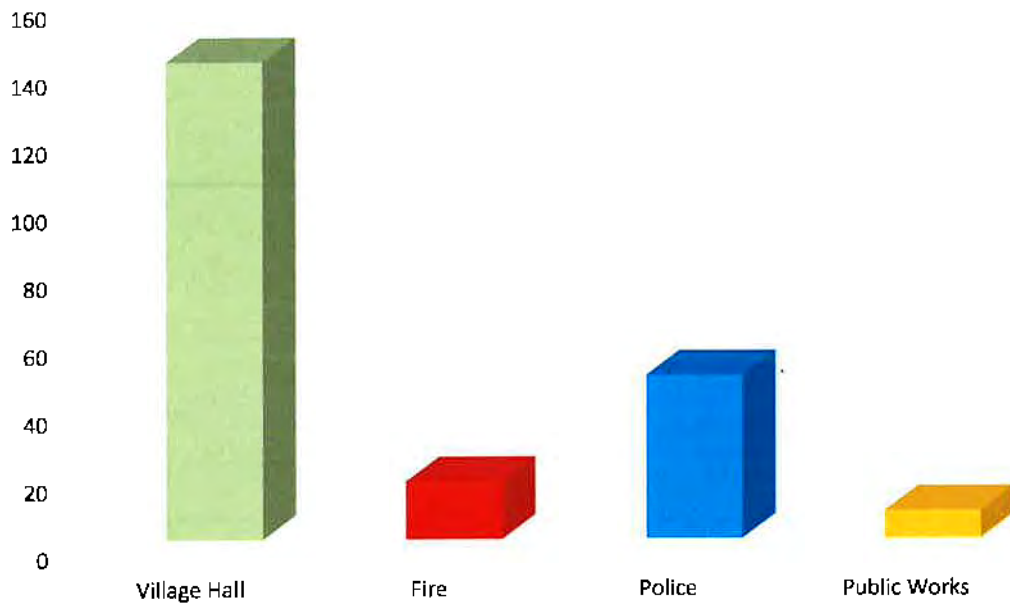
Director Summary

- Covid – 19 conference calls with the EOC team.
- Participated in the Fire Chief assessment panel
- Project status with CentralSquare
 - Project update status
 - Invoicing
- Cartegraph/Esri technical specifications call.
- Meeting with TKB to discuss the creation and implementation of more complex forms.
- Multiple meetings with Development Services to discuss the status of the Community Development project.
 - Building permits
 - Locations
- Meeting with New Horizons to discuss possible training opportunities in 2022.
- Meeting with Sentinel Technologies to discuss CISCO's new licensing program.
- Product demonstration and discussion
 - AXON body cameras
- Product demonstration and discussion
 - Frontline PSS
- Monthly department status meeting with the Village Manager.
- Finalized the contract review discussions for the Microsoft EA and SA renewal agreements.
- Management team meeting.
- Bi Weekly department division meetings
 - Project progress
 - Division Goals Review
- Monthly MS-ISAC/EI-ISAC conference call.

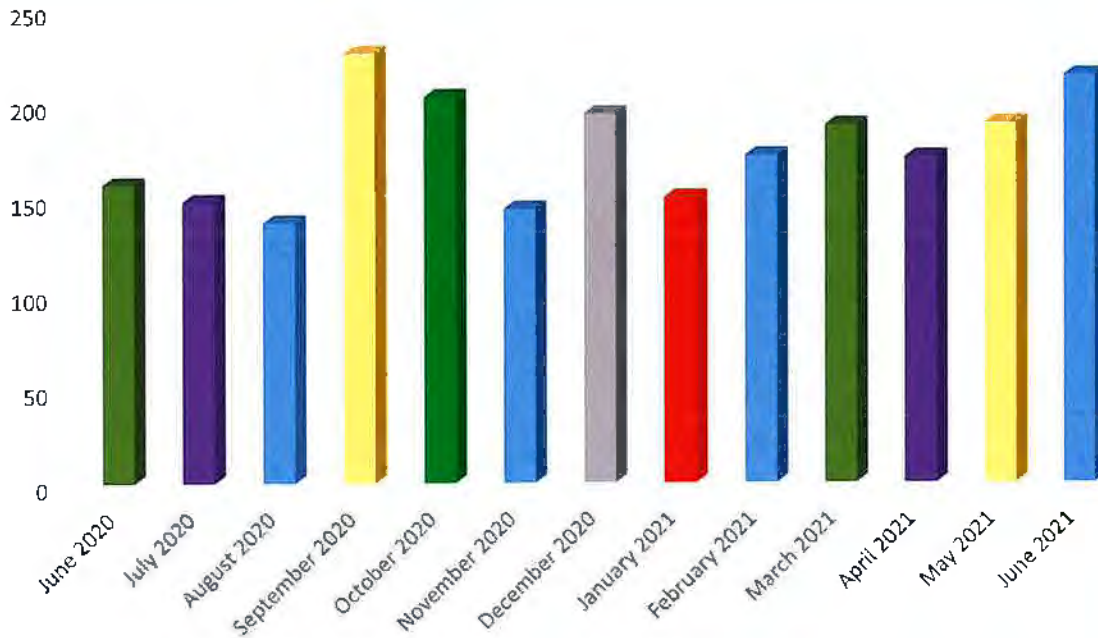
Total Work Orders by Priority by Month

Month	June
1 - Normal	158
2 - High	11
3 - Urgent	5
Project	1
Scheduled Event	39
Vendor intervention required	0
Total for Month	214

Completed Work Orders by Location



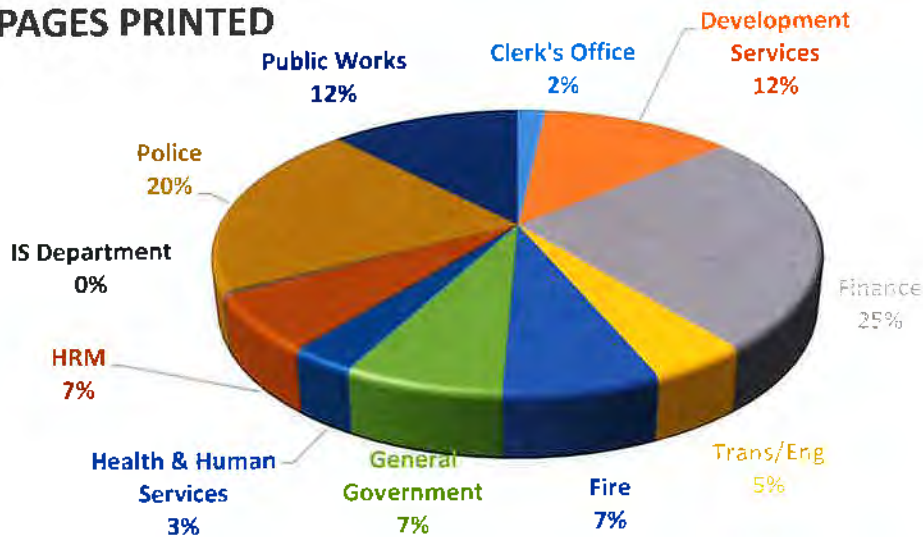
Completed Work Orders by Month



Printer Usage Report

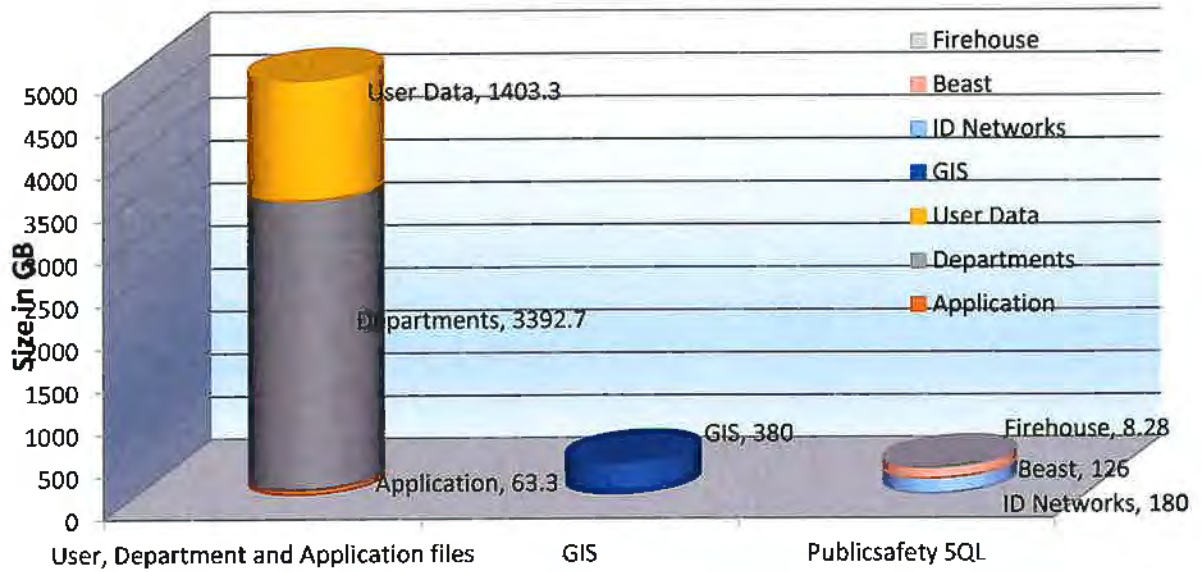
In the month of June there were 50548 pages printed across the village. The following graph breaks down printer usage by department.

PAGES PRINTED



System and Data Functions

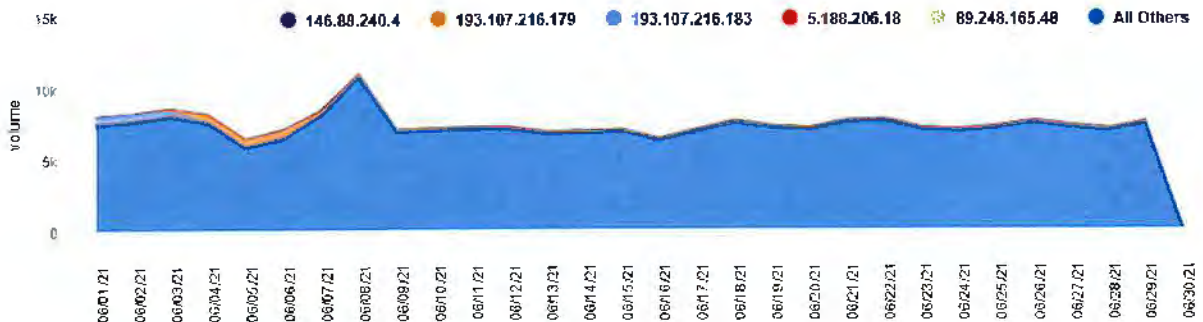
Disk Usage



Sentinel IPS Attack Report

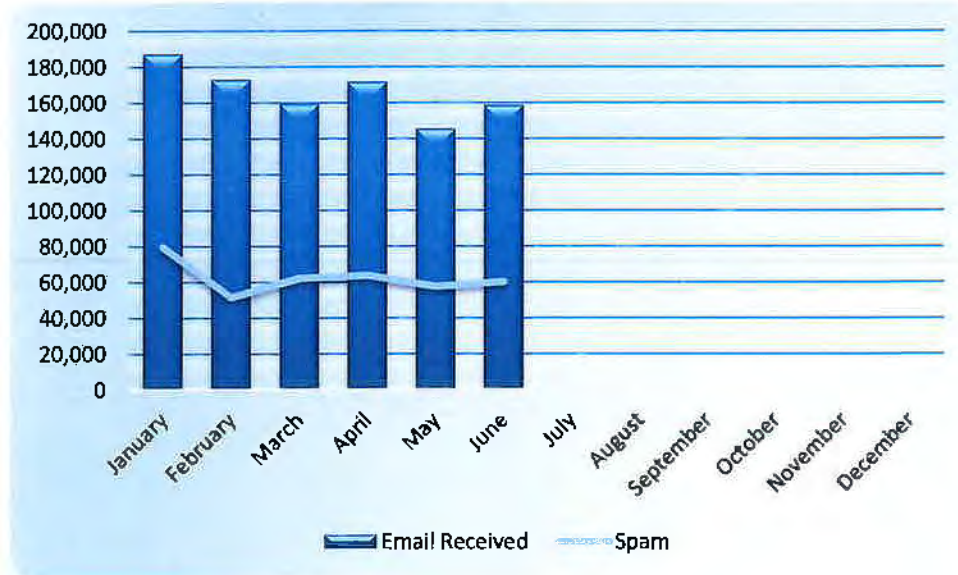
External parties attacked the Village network 215,017 times during the month of June

Attack Volume with 5 Most Active IP Addresses



Email Spam Report

Month	Email Received	Spam	Percent Spam
January	187,111	79,512	42%
February	172,771	51,487	30%
March	159,128	62,175	39%
April	171,555	63,782	37%
May	145,287	57,358	39%
June	158,478	60,172	38%
July			0%
August			0%
September			0%
October			0%
November			0%
December			0%
Total	994,330	374,486	38%





Phishing Security Test Report

05/25/2021 - 07/02/2021

Campaign: Monthly Test

Groups: All users

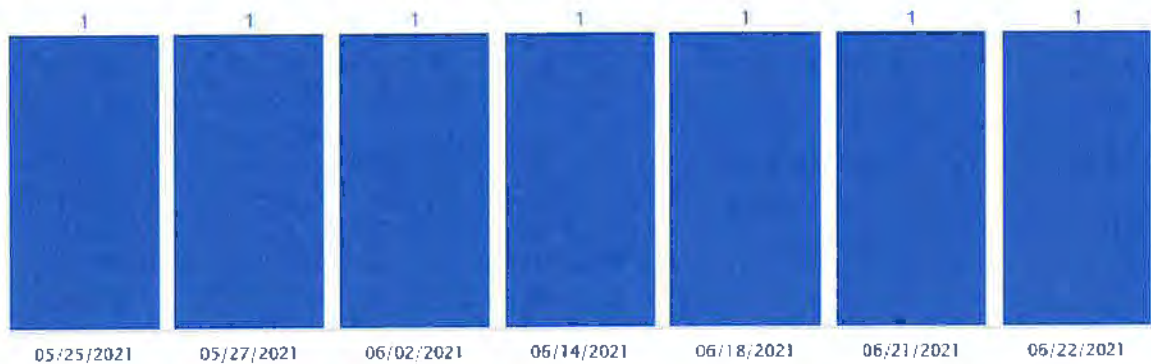
Statistics

See report at <https://training.knowbe4.com>

2.4%	337	334	7	1	0	0	3
Phish-prone Percentage	Recipients	Deliveries	Clicks	Attachment Opened	Data Entered	Other Failures	Bounces

Phish-prone Percentage is calculated from the total number of phishing test failures divided by the number of emails delivered

Clicks by day




Phishing Email Sent

See report at <https://training.knowbe4.com>

Phishing email was sent to **337** recipients. Each recipient received a different email. Go to this Phishing Security Test's [users](#) page to see which user received which email.

[Log in to https://training.knowbe4.com](https://training.knowbe4.com)

KnowBe4 Inc



Fred Besenhoffer, Director of Information Systems


VILLAGE OF HOFFMAN ESTATES

Memo

TO: Finance Committee
FROM: Mark Koplin, Owner's Representative-NOW Arena
RE: **OWNER'S REPRESENTATIVE MONTHLY REPORT
JULY 2021**
DATE: July 16, 2021

1. The State of Illinois continues to be in Phase 5 with minimal restrictions. Events scheduled include AEW (wrestling) with a sold out pay per view on Labor Day weekend, plus two smaller events. Monster Trucks is negotiating a contract for a fall 2021 event, and Northwestern Wrestling has indicated their desire to again host their annual event in December 2021.
2. We are still waiting to hear if we are going to receive grant funds from the Federal "Shuttered Venues Operators Grant" program. As a municipally owned venue, we are only eligible in the third tier, so we are waiting until funds are awarded for all Tier 1 and 2 applicants. This grant, if awarded, offers funding for operational costs and capital projects due to venues across the country being closed for more than a year. On July 12, we were notified that our application is now under review. They requested additional information on one of the sections which will be submitted by July 16.
3. In May, the Village Board approved projects to add exhaust fans in the Arena ceiling to improve airflow and a project to replace and upgrade the lighting controls. Both contracts have been executed and materials/equipment are being ordered, but because of the supply chain disruptions, there is a long lead time. Work at the Arena should begin later in July and be completed by the end August.
4. Continue to work with the Village's Lobbyist and Assistant Corporation Counsel regarding the 2020 State Parking Excise Tax. SB 217 was introduced and appears to clarify that the tax should not apply to municipal owned parking facilities. However, the bill did not proceed to a vote in the Spring Legislative session. We will continue to monitor.
5. The Hideaway Brew Garden at the Village Green has been very popular since reopening. The new tents have been installed for weddings and other social events.
6. With the assistance of Paul Petrenko and Arena staff, we submitted CIP projects for the 2022 CIP.
7. Working on ideas for long term funding of CIP projects.

8. Working with Ben Gibbs on reopening the Arena after the pandemic. The first real event will be the sold out AEW event on Labor Day weekend, and that will present a challenge. Staffing all the part-time positions (Levy, Andy Frain, JaniKing) is a concern as there is a tight labor market that is affecting all businesses.
9. The Windy City Bulls would like to add a year to their 20 year Term in our agreement to account for the "lost year" as they did not play games in the 2020/21 season. This will be a simple amendment to the agreement to acknowledge the lost year and add one year to the dates in the agreement.
10. Conducted bi-weekly meetings with Public Works Facilities and NOW Arena staff regarding building items.
11. Conducted weekly phone calls with Ben Gibbs to discuss bookings, holds, operational items, and event coordination.



Mark Koplin
Owner's Representative, NOW Arena

Attachment

MAK/kr

cc: E. Palm
D. O'Malley
Ben Gibbs (Spectra)

Now Arena
General Manager Update
 July 2021

Event Highlights	Notes
July 1: Motorola Corporate Event Various Sundays: Harvest Community Bible July 1 to 31: Beer Garden every Thurs/Fri/Sat	
Finance Department	
General	Arena finished May financials.
Monthly Financial Statement	Building Event Revenue YTD: \$258,430
	Building Sponsor/Other Revenue YTD: \$121,087
	Building Expenses YTD: \$938,388
	Building Income YTD: (\$558,870) vs. YTD Budget (\$594,973)
Operations Department	
General	The lighting system replacement has begun and will be completed in the next few weeks. Assuming no complications from weather, the HVAC renovation should be completed the first two weeks of August
Positions to Fill	Director of Operation - Will not be filled this fiscal
Third Party Providers	N/A
Village Support	HVAC improvements and lighting control RFP with Public Works
Events Department	
General	Working on beer garden events, weddings, AEW wrestling, Monster Truck, corporate events and Windy City Bulls. Working with outside vendors including Jani-King (custodial), United Maintenance (Conversions) and Andy Frain (security/parking) to ensure they can provide sufficient staffing starting in September.
Positions to Fill	Event Coordinator - Will not be filled at this time.
Marketing Department	
General	Promoting Hideaway Brew Garden summer 2021 lineup, Monster Truck, AEW (Dynamite and Rampage) and new employee recruitment
Positions to Fill	N/A
Group Sales Department	
General	Group sales will be handled by a third party company.
Box Office Department	
General	Building new event maps for AEW, Monster Truck and Windy City Bulls
Food & Beverage Department	
General	Operating at Hideaway Brew Garden and actively recruiting staff for AEW week at the beginning of September.
Premium Seating Department	
General	Naming Rights rebranding is complete with the exception of additional lighting on the marquee.
Positions to Fill	NA
Sponsorship Department	
General	Concentrating on unsold categories including insurance and liquor
Monthly Financial Statement	Corporate Sales: \$68,485
	Suites Sales: \$31,475
General	
Capital Improvements/Repairs	Lighting control RFP and HVAC upgrade.