

VILLAGE OF GLENCOE
FINANCE COMMITTEE

Thursday, April 26, 2012
6:30 p.m.

Village Hall Conference Room
675 Village Court

AGENDA

The Village of Glencoe is subject to the requirements of the Americans With Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or the facilities, are requested to contact the Village of Glencoe at least 72 hours in advance of the meeting at (847) 835-4114, or please contact the Illinois Relay Center at (800) 526-0844, to allow the Village of Glencoe to make reasonable accommodations for those persons.

1. CALL TO ORDER AND ROLL CALL

Bruce Cowans, Chairman
Scott Feldman, President
Keki Bhote
Andrew Hayek
Joseph Keefe
Lawrence Levin
Joel Solomon

2. APPROVAL OF JANUARY 19, 2012, FEBRUARY 16, 2012 AND MARCH 15, 2012 MINUTES

3. PUBLIC COMMENT TIME

4. CONSIDERATION OF AGREEMENT WITH AZAVAR, INC. TO CONDUCT REVENUE AUDIT.

5. REVIEW FISCAL YEAR 2014 BUDGET CALENDAR

6. REVIEW MONTHLY FINANCIAL REPORTS

7. ADJOURNMENT

VILLAGE OF GLENCOE
FINANCE COMMITTEE

Meeting Minutes
March 15, 2012

1. CALL TO ORDER AND ROLL CALL

The Finance Committee was called to order at 6:30 p.m. in the Conference Room at Village Hall. The following members were present:

Bruce Cowans, Chairman
Keki Bhote
Andrew Hayek
Joseph Keefe
Lawrence Levin
Joel Solomon

The following Village staff was present:

Paul Harlow, Village Manager
David Clark, Director of Finance
William Jones, Jr., Assistant Village Manager

2. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

This item was deferred to a later date.

3. PUBLIC COMMENT TIME

There was no public comment offered.

4. REVIEW MONTHLY FINANCIAL REPORTS

The Committee reviewed the monthly financial reports and offered some suggestion to enhance information contained in the reports.

5. ADJOURNMENT

There being no further business to come before the Finance Committee, upon motion made and seconded, the meeting was adjourned at 6:50 p.m.

VILLAGE OF GLENCOE
FINANCE COMMITTEE

Meeting Minutes
February 16, 2012

1. CALL TO ORDER AND ROLL CALL

The Finance Committee was called to order at 5:30 p.m. in the Conference Room at Village Hall. The following members were present:

Scott Feldman, Village President
Andrew Hayek
Joseph Keefe
Lawrence Levin
Joel Solomon

The following Village staff was present:

Paul Harlow, Village Manager
David Clark, Director of Finance
William Jones, Jr., Assistant Village Manager
Stella Nanos, Golf Club Manager
David Mau, Director of Public Works
Tim Sharpe, Village Actuary

2. PUBLIC COMMENT TIME

There was no public comment offered.

3. REVIEW OF POLICE PENSION

Director of Finance David Clark introduced Village Actuary Tim Sharpe who presented the annual actuarial report of the Glencoe Police Pension Fund. Mr. Sharpe also answered questions posed by the Committee. The Committee discussed the level of funding included in the Fiscal Year 2013 Annual Budget. After some discussion it was a consensus of a majority of the board to remain at the previously recommended level of funding of \$1,465,318.

4. REVIEW GOLF CLUB MANAGEMENT FEE

The Committee discussed the staff report on the cost to provide services to the Golf Club and agreed with the determination that the management fee be reduced for Fiscal Year 2013 from approximately \$60,000 to \$40,000. The Committee discussed the duration of such a fee and agreed by consensus that the next review of the level will be determined later.

5. ADJOURNMENT

There being no further business to come before the Finance Committee, upon motion made and seconded, the meeting was adjourned at 6:50 p.m.

VILLAGE OF GLENCOE
FINANCE COMMITTEE

Meeting Minutes
January 19, 2012

1. CALL TO ORDER AND ROLL CALL

The Finance Committee was called to order at 6:05 p.m. in the Conference Room at Village Hall. The following members were present:

Bruce Cowans, Chairman
Scott Feldman, Village President
Keki Bhote
Andrew Hayek
Joseph Keefe
Lawrence Levin
Joel Solomon

The following Village staff was present:

Paul Harlow, Village Manager
David Clark, Director of Finance
William Jones, Jr., Assistant Village Manager
Stella Nanos, Golf Club Manager
David Mau, Director of Public Works

2. APPROVAL OF DECEMBER 15, 2011 MINUTES

Trustee Hayek moved, seconded by Trustee Levin to approve minutes of the December 15, 2011 Finance Committee meeting. Said motion was unanimously adopted.

3. PUBLIC COMMENT TIME

There was no public comment offered.

4. REVIEW OF PRELIMINARY GOLF CLUB BUDGET

Golf Club Manager Stella Nanos presented the preliminary Fiscal Year 2013 Golf Club Budget. Fiscal Year 2012 is projected to end with \$1,481,140 in revenue and \$1,209,722 in operating expenditures with a resulting projected net operating income of \$271,418.

The Fiscal Year 2013 Budget includes revenue of \$1,513,967 and operating expenses of \$1,375,061 with a resulting budgeted net operating income of \$138,906.

The Committee spent some time discussing various aspects of the golf club operations. The Committee also discussed the need to continue to aggregate resources to reduce the future need for debt financing to replace the dilapidated clubhouse structure.

5. REVIEW OF RECOMMENDED VILLAGE BUDGET

The Director of Finance introduced the recommended budget as near completion. Assistant Village Manager William Jones, presented a proposed façade improvement program that is included in the Fiscal Year 2013 Budget. The program is intended to provide some resources for businesses to improve the exterior appearance of their buildings. The amount included in the budget is \$10,00. There were no other new operating or capital items to discuss and the personnel budget was to be presented later in Executive Session.

6. ADJOURNMENT

There being no further business to come before the Finance Committee, upon motion made and seconded, the meeting was adjourned at 7:00 p.m.



Village of Glencoe

Board Agenda Memorandum

DATE PREPARED: April 18, 2012

MEETING DATE: April 26, 2012

AGENDA SUBJECT: Consideration of a contingent fee Professional Services Agreement with Azavar Solutions, Inc. of Chicago, Illinois for the completion of a Revenue and Tax Audit

RECOMMENDATION: Authorize the Village Manager to execute a contingent fee professional services agreement with Azavar Audit Solutions, Inc. ("Azavar") of Chicago, Illinois to complete a tax and revenue audit in substantial conformance with the attached draft agreement, subject to Village Attorney review

Background:

A tax and revenue audit investigates whether Village service providers are properly charging fees and collecting revenue in compliance with the Village's municipal ordinances, contracts and franchise agreements. The audit seeks to ensure that service providers are collecting the proper amounts from a complete and accurate customer population within the Village, as well as to verify that the Village is not being charged incorrectly on its accounts.

The proposed engagement will would help to ensure that natural gas companies, telecommunications providers, cable TV provider, and others who remit revenue to the Village are including all customers within the Village's municipal boundaries in the amount they are required to remit to the Village. There is no minimum fee and the compensation for Azavar is a percentage of the net new revenue generated for the Village of Glencoe.

The Village of Glenview has offered several other municipalities (Buffalo Grove, Glencoe, Northfield, and Winnetka) the opportunity to piggy back on its existing contract. The Villages electing to participate will pay a 40% contingency commission rate for 33 months. The industry rate for this type of project, if done on a stand-alone basis, is 45% to 50% for 36 months.

In terms of Glenview's process, two firms were interviewed regarding tax and utility audit services; AmAudit and Azavar. Both provided proposals for the scope of work. AmAudit has a solid municipal client list, no up-front fees or costs, and proposed a fee based on a 50/50 share

between the Village and the firm for any credits or new revenue found during a three-year period. Azavar also has a solid municipal client list, robust data analysis tools, no up-front fees or costs, and proposed a revenue sharing fee of 45% contingency for newly remitted funds (per account) over a 24-month period and 45% of the total for any retroactive funds or refund/credits that are issued over the same 24-month period.

After conducting reference checks, Azavar was approved to commence the audit and bring the results before the Board for review and approval. Attachment 1 is an example of Azavar's recovery results for some municipal clients and more detail on their municipal revenue, utility and telecom, and compliance audit methods.

Analysis:

Through Glenview's Municipal Partnering efforts, a volume discount is being extended to Glencoe. Azavar will provide revenue sharing terms for both the utility and tax audits for Glenview at 40% (for 24 months) based on the commitment of all four communities by May 16, 2012. The other participating municipalities would share the 40% fee for 33 months. The normal fee for this work is 45% for 36 months. If all communities do not participate, then the rate increases from 40% to 45%. All communities have committed to bring an agreement before their respective Boards for consideration by the end of April 2012. For all communities, the commission would be payable based on net new revenue.

Azavar will collect information from various data sources to perform the audit, including customer databases from North Shore Gas, NICOR, Comcast, and the Village of Glencoe's utility billing system. They will then use proprietary programs and processes to identify instances where errors may be occurring. They will then investigate those potential errors and then manage the correction process so that vendor accounts within the Village of Glencoe corporate limits are remitting revenues to the Village of Glencoe.

Azavar will only be compensated for actual recovered funds at the cost sharing rate identified in the Agreement once the account corrections are complete.

Recommendation:

Authorize the Village Manager to execute a contingent fee professional services agreement with Azavar, Inc. of Chicago, Illinois to conduct a tax and revenue audit, in substantial conformance with the attached draft agreement, subject to Village Attorney review.

Motion:

This item is being presented for approval as part of the Consent Agenda. If the Village Board concurs with the

recommendations of staff, a Consent Agenda motion would include the following approval:

Move to approve a contingent fee professional services agreement with Azavar Solutions, Inc. of Chicago, Illinois to conduct a revenue and tax audit at a rate of 40% for 33 months derived from any new net revenue that is generated

DRAFT 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 234 South Wabash Avenue, Sixth Floor, Chicago, Illinois 60604 (“Azavar”), and the Village of Glencoe, an Illinois municipal corporation having its principal place of business at 675 Village Court, Glencoe, Illinois 60022 (“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 audit each utility tax, taxpayer, franchise fee, and utility service fee and expense imposed by or upon the Customer within the Customer’s corporate boundaries (“Audits”) including, but not limited to Electric, Gas, Cable, and Telecommunications providers (“Providers”) on behalf of the Customer. Azavar shall also audit during the course of its work for the Customer addresses and databases relating to local sales/use taxes. Where applicable Azavar shall audit water service, expense, and taxes and hotel/motel occupancy taxes.
- (b) The purpose of each audit is to determine past, present, and future taxes, franchise fees, service fees, or any other 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 and 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 due or potentially due to the Customer for review by the Customer (“Findings”).
- (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 contemplated under this Agreement without Azavar’s written consent.
- (d) In order to perform the audits, Azavar will require full access to Customer records and Provider records. Customer will use its authority as necessary to assist in acquiring information and procure data from Providers; Customer agrees to cooperate with Azavar, provide any necessary documentation, and will engage in necessary meetings with Providers;
- (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.
- (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 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 updates/meetings will be held regularly via phone, email, or in person throughout the course of the Audits between Azavar and the Customer’s Audit Primary Contact and Liaison and will occur approximately every month;
- (j) Jason Perry, Azavar Municipal Audit Program Manager, and Azavar specialists will be Auditors under this agreement. All Azavar staff 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. While Azavar strives to provide turn-key audit programs that require little Customer staff time, it is important that the Customer's staff 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 Jason Perry and assigned auditors as authorized employees for the sole and limited purposes of reviewing data provided by the Illinois Department of Revenue when necessary.

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. Customer shall remit payment to Azavar in accordance with the Local Government Prompt Payment Act. Contingency payment terms are outlined below. If Customer negotiates, abates, cancels, amends, 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-three (33) months. If Customer later implements during the subsequent thirty-three (33) months any Findings Customer initially declined based on Azavar programs or recommendations, including overall utility audits included herein, Azavar will be entitled to its portion of the savings and/or recoveries over the following thirty-three (33) months at the contingency fee rates set forth below.
- 3.2 Customer shall pay Azavar an amount equal to forty-five (45) percent of any new revenues or prospective funds recovered per account or per Provider for thirty-three (33) 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 forty-five (45) percent of any retroactive funds, savings, and fair market value for any other special consideration or compensation recovered for and/or by the Customer from any audited Provider. All contingency fees paid to Azavar are based on determinations of recovery by Azavar based on Provider data and regulatory filings and agreed to by the Customer. All revenue after the subsequent thirty-three (33) month period for each account individually will accrue to the sole benefit of the Customer.
- 3.3 As it pertains to Customer utility service bill and cost audits, Customer shall pay Azavar an amount equal to forty-five (45) percent of prospective savings approved by Customer for thirty-three (33) 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 forty-five (45) percent of said refunds or credits. All contingency fees paid to Azavar are based on determinations of savings by Azavar. All savings after the subsequent thirty-three (33) month period for each service provider individually will accrue to the sole benefit of the Customer.
- 3.4 The Glenview Audit Consortium Discount. The Glenview Municipal Audit Consortium will consist of the at least four members ("Members") including the Village of Glenview, the Customer, and at least two other municipalities local to the Village of Glenview. For the Glenview Municipal Audit Consortium to be considered formed, all Members must submit an executed Azavar Contingent Fee Professional Services Agreement to Azavar no later than May 16, 2012. Upon the formation of the Glenview Municipal Audit Consortium, which must occur no later than May 16, 2012, Azavar will discount the contingent fee specified in Section 3.2 and Section 3.3 above of forty-five percent (45%) to forty percent (40%). In the event the Glenview Municipal Audit Consortium is not formed by May 16, 2012, Azavar's contingent fee shall remain at forty-five percent (45%) for the Client.

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 140/1 *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 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.
234 South Wabash Avenue, Sixth Floor
Chicago, Illinois 60604

If to Customer
Village Attorney
Village of Glencoe
675 Village Court
Glencoe, Illinois 60022

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 GLENCOE, ILLINOIS

By _____

By _____


Title _____

Title _____

Dat _____

Date _____

Azavar Audit Delivers Results for Municipalities*



"Azavar Audit is the only one that has the specialized software, resources, and knowledge to successfully audit each utility and recover the maximum."

— Mayor Gayle Smolinski, Village of Roselle

Municipal clients listed alphabetically:

Municipality	Population
Des Plaines	57,008
Evanston	75,905
Glen Ellyn	27,167
Lemont	15,958
Lombard	42,841
Oakbrook Terrace	2,408
Plainfield	35,366
Rockford	156,596
Roselle	23,262
Westmont	25,021

Total findings by amount:

Recoveries
\$770,000+
\$480,000+
\$360,000+
\$320,000+
\$300,000+
\$114,000+
\$110,000+
\$105,000+
\$100,000+
\$88,000+

Recoveries based on retroactively recovered funds combined with five-year future recoveries.

How can Azavar Audit Solutions return money to your community? Please call Jason Perry at 800-683-0800 or email him at jperry@azavar.com.

Do you need a specific audit that we have not mentioned? Please let us know – we are equipped to conduct many types of electronic audits.

*Testimonials and financial results may not be representative of the experience of other clients and are no guarantee of future performance or success.

What Is a Municipal Revenue Audit As Conducted by Azavar Audit Solutions, Inc.?

Through our municipal transactional tax and revenue audits, you receive a comprehensive analysis of all tax receivables remitted to your organization by service providers, including but not limited to:

- Utility taxes (electric and gas)
- Telecommunications taxes
- Cable franchise fees
- Sales tax
- Hotel/motel taxes
- Local use taxes & fees

We complete your audit using *our* resources not yours, and we provide a time & material or contingency & performance payment model. Your municipal revenue audit includes:

1. An Exclusive Geographic Analysis

- We use state-of-the-art geographic information systems (GIS) to analyze all customers in your local jurisdiction
- Our experts employ advanced database software and advanced data-mining technology

2. Technical Expertise

- We utilize industry-leading software to uncover outdated technologies and wasteful practices
- Our experts utilize proprietary auditing software and employ advanced data-mining technology

3. Strategic Relationships with Service Providers

- Our relationships aid communication and foster compliance and accountability
- We facilitate franchise negotiations to meet local needs and protect your community's property and purse

How can Azavar Audit Solutions return money to your community? Please call Jason Perry at 800-683-0800 or email him at jperry@azavar.com.

Do you need a specific audit that we have not mentioned? Please let us know – we are equipped to conduct many types of electronic audits.

What Is a Utility & Telecom Cost Audit As Conducted by Azavar Audit Solutions, Inc.?

A utility & telecom cost audit by Azavar Audit will determine if your monthly costs are in line with what should be spent on service providers, including but not limited to:

- Electric
- Gas
- Telecommunications
- Waste Removal
- Water

We complete your audit using *our* resources not yours, and we provide a time & material or contingency & performance payment model. Your utility expense audit includes:

1. Contract Analysis

- We determine if appropriate services are offered at agreed upon rate
- Our team discovers the best possible rates on the market for your services -- Whether through your current services provider or a competitor

2. Technical Expertise

- We utilize industry-leading software to uncover outdated technologies and wasteful practices
- Our experts follow proprietary auditing methodologies and employ advanced data-mining technology

3. Strategic Relationships with Service Providers

- Our relationships aid communication and ensure compliance and accountability
- We facilitate franchise negotiations to meet local needs and protect your community's property and purse

How can Azavar Audit Solutions return money to your community? Please call Jason Perry at 800-683-0800 or email him at jperry@azavar.com.

Do you need a specific audit that we have not mentioned? Please let us know -- we are equipped to conduct many types of electronic audits.

What Is a Franchise Fee Revenue & Contract Compliance Audit As Conducted by Azavar Audit Solutions, Inc.?

A contract and franchise fee revenue audit from Azavar Audit uncovers all the fees due to your community by cable providers. We complete your audit using *our* resources not yours, and we provide a time & material or contingency & performance payment model. Your audit includes:

1. Geographic Analysis – an Azavar Audit exclusive service

- We use state-of-the art geographic information systems (GIS) to analyze all customers in your local jurisdiction
- Our experts employ industry-leading database software and advanced data-mining technology

2. Franchise Compliance Analysis

- We analyze all local, state, and federal laws regarding your rights in dealing with cable companies
- Our team reviews your agreement to assure that your community's interests are protected to the full legal extent

3. Gross Revenue Analysis

- We examine complex revenue streams within cable companies to determine franchise fee remittances based on gross revenue
- Our team has over 40 years' collective experience in auditing solutions – we have audited all major US cable companies

4. Strategic Relationships with Service Providers

- Our relationships aid communication and ensure compliance and accountability
- We facilitate franchise negotiations to meet local needs and protect your community's property and purse

How can Azavar Audit Solutions return money to your community? Please call Jason Perry at 800-683-0800 or email him at jperry@azavar.com.

Do you need a specific audit that we have not mentioned? Please let us know – we are equipped to conduct many types of electronic audits.

FISCAL YEAR 2014 BUDGET CALENDAR

<u>Date</u>	<u>Item</u>	<u>By</u>
<u>APRIL 2012</u>		
4/26/2012	Review draft FY 2014 Budget Calendar	Finance Committee
<u>MAY 2012</u>		
5/17/2012	Review preliminary CIP 2023	Finance Committee & Board
<u>JUNE 2012</u>		
6/21/2012	Continue review of CIP 2023	Finance Committee & Board
6/21/2012	Consider capital financing alternatives	Finance Committee & Board
6/29/2012	Review FY 2013 Budget Document	Staff
6/29/2012	Review budget development process	Staff
<u>JULY 2012</u>		
7/18/2012	Meet with Police Pension Board to review actuarial assumptions	Police Pension
7/19/2012	Conduct annual Firefighter's Pension Meeting	Fire Pension
7/31/2012	Review performance measures	Staff
7/31/2012	Review strategic plan	Staff
<u>AUGUST 2012</u>		
8/16/2012	Village Board Meeting	Board
8/20/2012	Resolution initiating public question for 11/6/2012 Election due	Board
8/31/2012	Update long range financial forecast	Staff
8/31/2012	Review alternative sources of revenue	Staff
8/31/2012	Year end projections completed	Staff
<u>SEPTEMBER 2012</u>		
9/20/2012	Review long range financial forecast	Finance Committee & Board
<u>OCTOBER 2012</u>		
10/18/2012	Continue review of long range financial forecast (if necessary)	Board
10/18/2012	Review budget guidelines and assumptions	Board
10/18/2012	Schedule 2012 Tax Levy Hearing	Board
10/31/2011	Schedule department budget review meetings	Staff
<u>NOVEMBER 2012</u>		
11/2/2012	Conduct department budget review meetings	Staff
11/6/2012	GENERAL ELECTION - PUBLIC QUESTION	NOTICE
11/15/2012	Review preliminary revenue budget	Finance Committee & Board
11/15/2012	Review preliminary operating budget	Finance Committee & Board
11/15/2012	Review preliminary capital budget	Finance Committee & Board
11/15/2012	Initial consideration of proposed 2012 Tax Levy	Finance Committee & Board
11/15/2012	Review actuarial reports	Finance Committee
<u>DECEMBER 2012</u>		
12/20/2012	Continue review of <u>recommended</u> revenue budget	Finance Committee & Board
12/20/2012	Continue review of <u>recommended</u> operating budget	Finance Committee & Board
12/20/2012	Continue review of <u>recommended</u> capital budget	Finance Committee & Board
12/20/2012	Consideration of proposed 2012 Tax Levy	Finance Committee & Board
<u>JANUARY 2013</u>		
1/17/2013	Continue review of <u>recommended</u> revenue budget	Finance Committee & Board
1/17/2013	Receive staffing analysis and personnel budget	Board
<u>FEBRUARY 2013</u>		
2/13/2012	Post compensation report as required by law (Prior to budget approval)	Staff
2/21/2013	Consider FY 2013 Supplemental Appropriation Ord. (If necessary)	Board
2/21/2013	Final consideration and adoption of Fiscal Year 2014 Budget	Board
2/28/2013	Post compensation report as required by law (After budget approval)	Staff
<u>MARCH 2013</u>		
3/21/2013	Consider Fiscal Year 2014 Appropriation Ordinance	Board
3/21/2013	Receive Fiscal Year 2014 Budget Document	Board