



PUBLIC MEETING NOTICE AND AGENDA
COMMITTEE OF THE WHOLE MEETING

NOVEMBER 14, 2024
7:30 P.M.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Audience Participation
The public is invited to make an issue-oriented comment on any matter of public concern. The public comment may be no longer than 3 minutes in duration.
4. Presentation - Employee Years of Service Award
5. Staff Presentations
 - A. Police
 1. Waiver of Competitive Bidding for Police Radio Coverage at the new Police Facility
 2. Resolution approving an Agreement with Axon Enterprise, Inc. for the Axon Interview System
 3. North Central Narcotics Task Force Interagency Agreement
 - B. Finance
 1. Resolution Estimating the Amount of the Tax Levy for 2024
 2. Police Pension Fund Municipal Compliance Report for FY Ended December 31, 2023 and Annual Funding Request for FY 2025
 3. Ordinance approving a Budget Amendment to the Operating Budget for FY Ending December 31, 2024 for Professional Accounting Services
 4. Resolution Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed with Bond Proceeds
 - C. Community Development
 1. Ordinance Establishing a Self-Storage Facility Rental Tax
6. Adjournment

MEETING LOCATION
Lake in the Hills Village Hall
600 Harvest Gate
Lake in the Hills, IL 60156

The Village of Lake in the Hills 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 so that they can observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at (847) 960-7400 [TDD (847) 658-4511] promptly to allow the Village to make reasonable accommodations for those persons.

Posted by: _____ Date: _____ Time: _____



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Police Department

SUBJECT: Waiver of competitive bidding for a bi-directional radio antenna system and panic alarm control station/police radio monitoring system

EXECUTIVE SUMMARY

To have full police radio coverage within the entire interior of the new police facility, there is a need to have a bi-directional radio antenna system (BDA) installed. Full police radio coverage would be accomplished by having multiple antennas installed throughout the building, where needed, which connect to an antenna mounted on the roof to transmit to the StarCom 21 police radio system. Installation of this BDA system is essential to police safety and operations when inside the police facility, namely the jail where due to security enhancements added during construction, police radio reception could be impeded. Additionally, there is a need to have a police radio connected to the panic alarms in the jail and sallyport area so when a panic alarm is pressed, an alert is transmitted over the police radio notifying everyone on the radio frequency that emergency assistance is needed in that area. This police radio would also be connected to the public address system in certain employee-only areas to monitor police radio traffic. The current police facility currently has a police radio connected to the panic alarm in the jail, but does not have a BDA system. Preliminary mapping of the new police facility floor plans shows there is a need for the BDA system in certain areas; however, a full site walk of the building once enclosed is necessary to determine quantity and specific locations for those antennas.

Radio communications systems are highly technical and specialized. Because of this, it is necessary to utilize a communications company that has experience with the design and installation of these systems. It is also critical to ensure that not only are the systems installed properly, but that ongoing maintenance with the vendor is available. Due to our police radio system and jail panic alarm interfacing with our dispatch center, SEECOM, it is also important that the communications vendor has knowledge of their systems and processes. I have been informed by the SEECOM Director that Chicago Communications has been their exclusive vendor for nearly ten years and has worked on several projects for them and provides their yearly preventative radio maintenance. Additionally, Chicago Communications was used for the initial dispatch consolidation from Lake in the Hills to SEECOM and was brought in to assist in working through technical issues, which resulted in reduced costs to Lake in the Hills from what another communications vendor was trying to sell the Village. Chicago Communications was also involved in helping other agencies transition to SEECOM, in addition to finding a solution for another police agency in McHenry County for their jail panic alarm. It is for these reasons Chicago Communications is the

preferred vendor and staff is requesting the Board waive competitive bidding and authorize staff to negotiate a contract with Chicago Communications for this project.

FINANCIAL IMPACT

The estimated cost for this project is \$46,700, which is included in the budget for the Police Facility Fund within the owner supplied items.

ATTACHMENTS

None.

RECOMMENDED MOTION

Motion to waive competitive bidding and authorize staff to negotiate a contract with Chicago Communications for the BDA and panic alarm control station/police radio monitoring project.



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Police Department

SUBJECT: Resolution to approve an Agreement with Axon Enterprise, Inc. for the Axon Interview System

EXECUTIVE SUMMARY

As part of construction of the new police facility, there is a need to have an audio/video recording system installed in various rooms to record interviews and interrogations. Department policy and Illinois State Law requires certain interviews and/or interrogations to be audio/video recorded depending on the criminal offense being investigated. To meet these recording needs, staff worked with the architecture firm, Dewberry, and Axon Enterprise, Inc. to identify several locations within the new police facility where recording equipment should be installed. This also involved staff input on current and future needs. Six rooms in the new police facility will be outfitted with the Axon interview camera system to include: two reporting taking rooms off the main lobby, three interview rooms in the Investigations Interview area, and one in the jail for interviewing persons in custody. Of note, in the Investigations Interview area, there will be a dedicated "soft interview room" that has a couch and chairs where victim sensitive interviews can take place. This type of interview room is essential to interviewing victims of certain crimes, such as sex crimes, in a more comfortable environment.

The Axon Interview System has many advantages over selecting a system from another vendor, primarily for one integrated technology platform with several current and future Axon products. The police department has been taking steps over the last year to ensure future technology purchases are compatible with one another to eliminate redundancies and improve staff efficiency. Department staff has been utilizing Axon Tasers for several years, and most recently purchased the Axon Drone system and cloud-based evidence storage system known as Axon Evidence. With the addition of the Axon Interview System, all recorded interviews will be synced to the Axon Evidence System, which will eventually house all the of the department's digital evidence. From this system, Evidence Custodians and Records Clerks can digitally access the system to fulfil subpoena and FOIA requests and redact photos/videos all within the same system. These fulfilled evidence requests can then be sent digitally to the requesting party through secure means. Additionally, detectives, supervisors and even State's Attorney's Staff will have the ability view interviews live from any computer or mobile device or later view saved video all by the sharing of secure links by police department staff.

This purchasing agreement includes hardware, software, licensing, maintenance, and warranties. The Village will be purchasing the computer tablets and servers as opposed to purchasing them directly through Axon as a cost saving measure. The term of this agreement is for five years.

The Village of Lake in the Hills is a member of the Sourcewell Joint Purchasing Cooperative. Axon Enterprise, Inc. is a qualified Sourcewell Contract provider and has prepared the attached proposal for equipment and related services through Sourcewell Contract #101223-AXN.

It is necessary to execute the contract with Axon Enterprise, Inc. prior to the end of 2024 to receive the pricing outlined in the proposal. Axon Enterprise, Inc. will work with staff to ensure purchase, delivery and installation of all items outlined in the proposal adhere to the overall construction schedule.

FINANCIAL IMPACT

The initial year one cost in approximately May 2025 is \$81,894.59, which includes the initial acquisition of the hardware and software, installation, and training, as well as storage and support for the first year. The Axon Interview System is part of the owner supplied items; the year one payment will be made from the Police Facility Fund. For the subsequent years of two through five, the annual cost is \$21,188.99, and will be budgeted within the Management Information Systems (MIS) Fund; these reoccurring costs cover storage fees relating to recorded interviews, maintenance fees and extended warranty fees.

ATTACHMENTS

1. Resolution
2. Axon Enterprise, Inc. Quote
3. Axon Enterprise, Inc. Master Services and Purchasing Agreement for Customer

RECOMMENDED MOTION

Motion to approve a Resolution approving a 5-year Agreement with Axon Enterprise, Inc., for the purchase, installation and support of the Audio Video Interview System.

VILLAGE OF LAKE IN THE HILLS

RESOLUTION NO. 2024- _____

**A Resolution Approving a 5-Year Agreement with
Axon Enterprise, Inc.
for the Purchase, Installation, and Support
of Audio Video Interview System**

WHEREAS, the Village of Lake in the Hills is a home rule municipality as contemplated by Article VII of the Constitution of the State of Illinois; and

WHEREAS, the Board of Trustees of the Village of Lake in the Hills has determined that it is in the best interest of public safety and legally efficient and compliant operations to install and maintain audio-video systems, with associated technology licensing and support, for interview rooms at its new police facility; and

WHEREAS, the Village has identified Axon Enterprise, Inc. as the most appropriate provider of the interview system, after having procured competitive pricing through the Sourcewell Joint Purchasing Cooperative, which fulfills all statutory and Village Municipal Code requirements for competitive bidding and purchasing requirements.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Lake in the Hills, McHenry County, State of Illinois, pursuant to its statutory and home rule authority:

SECTION 1: The foregoing recitals are hereby incorporated herein as if fully set forth as findings of the President and Board of Trustees.

SECTION 2: The quotation and Statement of Work and related documents, attached hereto as Exhibit "A", for a total amount of \$166,650.56 to provide equipment and associated service, over a 5-year period, are hereby approved.

Passed this 14th day of November 2024 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 14TH DAY OF NOVEMBER 2024

Village President, Ray Bogdanowski

(SEAL)

ATTEST: _____
Village Clerk, Shannon DuBeau

Published: _____

Exhibit A



Axon Enterprise, Inc.
 17800 N 85th St.
 Scottsdale, Arizona 85255
 United States
 VAT: 86-0741227
 Domestic: (800) 978-2737
 International: +1.800.978.2737

Q-555074-45548.694MM

Issued: 09/13/2024

Quote Expiration: 12/31/2024

Estimated Contract Start Date: 06/15/2025

Account Number: 322587

Payment Terms: N30

Delivery Method:

SHIP TO	BILL TO
Lake in the Hills Police Dept. - IL 1115 Crystal Lake Rd Lake In The Hills, IL 60156-3315 USA	Lake in the Hills Police Dept. - IL 1115 Crystal Lake Rd Lake In The Hills IL 60156-3315 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Matthew Moore Phone: (480) 905-2068 Email: mmoore@axon.com Fax: (480) 905-2068	Matthew Mannino Phone: Email: mmannino@lith.org Fax:

Quote Summary

Program Length	60 Months
TOTAL COST	\$166,650.56
ESTIMATED TOTAL W/ TAX	\$166,650.56

Discount Summary

Average Savings Per Year	\$32.33
TOTAL SAVINGS	\$161.64

Payment Summary

Date	Subtotal	Tax	Total
May 2025	\$81,894.59	\$0.00	\$81,894.59
May 2026	\$21,188.99	\$0.00	\$21,188.99
May 2027	\$21,188.99	\$0.00	\$21,188.99
May 2028	\$21,188.99	\$0.00	\$21,188.99
May 2029	\$21,189.00	\$0.00	\$21,189.00
Total	\$166,650.56	\$0.00	\$166,650.56

Quote Unbundled Price:	\$166,812.20
Quote List Price:	\$166,812.20
Quote Subtotal:	\$166,650.56

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
A la Carte Hardware									
74116	AXON INTERVIEW - ENCLOSURE - FLUSH MOUNT	6			\$132.00	\$130.68	\$784.08	\$0.00	\$784.08
50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	6			\$243.31	\$240.88	\$1,445.28	\$0.00	\$1,445.28
50114	AXON INTERVIEW - CAMERA - COVERT SENSOR	6			\$397.51	\$393.53	\$2,361.18	\$0.00	\$2,361.18
50218	AXON INTERVIEW - CAMERA - COVERT MAIN UNIT	6			\$685.49	\$678.64	\$4,071.84	\$0.00	\$4,071.84
50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	6			\$243.31	\$240.88	\$1,445.28	\$0.00	\$1,445.28
50298	AXON INTERVIEW - CAMERA - OVERT DOME	6			\$992.92	\$982.99	\$5,897.94	\$0.00	\$5,897.94
A la Carte Software									
50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	60		\$1,750.00	\$1,750.00	\$3,500.00	\$0.00	\$3,500.00
50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	60		\$32.98	\$32.98	\$3,957.60	\$0.00	\$3,957.60
50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	3	60		\$1,500.00	\$1,500.00	\$4,500.00	\$0.00	\$4,500.00
50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	3	60		\$28.21	\$28.21	\$5,077.80	\$0.00	\$5,077.80
50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	12	60		\$111.75	\$111.75	\$80,460.00	\$0.00	\$80,460.00
A la Carte Services									
85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	6			\$7,450.00	\$7,450.00	\$44,700.00	\$0.00	\$44,700.00
A la Carte Warranties									
50448	AXON INTERVIEW - EXT WARRANTY	6	49		\$28.74	\$28.74	\$8,449.56	\$0.00	\$8,449.56
Total							\$166,650.56	\$0.00	\$166,650.56

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
A la Carte	50114	AXON INTERVIEW - CAMERA - COVERT SENSOR	6	1	05/15/2025
A la Carte	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	6	1	05/15/2025
A la Carte	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	6	1	05/15/2025
A la Carte	50218	AXON INTERVIEW - CAMERA - COVERT MAIN UNIT	6	1	05/15/2025
A la Carte	50298	AXON INTERVIEW - CAMERA - OVERT DOME	6	1	05/15/2025
A la Carte	74116	AXON INTERVIEW - ENCLOSURE - FLUSH MOUNT	6	1	05/15/2025

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
A la Carte	50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	3	06/15/2025	06/14/2030
A la Carte	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	3	06/15/2025	06/14/2030
A la Carte	50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	06/15/2025	06/14/2030
A la Carte	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	06/15/2025	06/14/2030
A la Carte	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	12	06/15/2025	06/14/2030

Services

Bundle	Item	Description	QTY
A la Carte	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	6

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
A la Carte	50448	AXON INTERVIEW - EXT WARRANTY	6	05/15/2026	06/14/2030

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	1115 Crystal Lake Rd	Lake In The Hills	IL	60156-3315	USA

Payment Details

May 2025

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 1	50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	3	\$900.00	\$0.00	\$900.00
Annual Payment 1	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	3	\$1,015.56	\$0.00	\$1,015.56
Annual Payment 1	50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	\$700.00	\$0.00	\$700.00
Annual Payment 1	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$791.52	\$0.00	\$791.52
Annual Payment 1	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	12	\$16,092.00	\$0.00	\$16,092.00
Annual Payment 1	50448	AXON INTERVIEW - EXT WARRANTY	6	\$1,689.91	\$0.00	\$1,689.91
Upfront Hardware and Installation	50114	AXON INTERVIEW - CAMERA - COVERT SENSOR	6	\$2,361.18	\$0.00	\$2,361.18
Upfront Hardware and Installation	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	6	\$1,445.28	\$0.00	\$1,445.28
Upfront Hardware and Installation	50118	AXON INTERVIEW - MIC - WIRED (STANDARD MIC)	6	\$1,445.28	\$0.00	\$1,445.28
Upfront Hardware and Installation	50218	AXON INTERVIEW - CAMERA - COVERT MAIN UNIT	6	\$4,071.84	\$0.00	\$4,071.84
Upfront Hardware and Installation	50298	AXON INTERVIEW - CAMERA - OVERT DOME	6	\$5,897.94	\$0.00	\$5,897.94
Upfront Hardware and Installation	74116	AXON INTERVIEW - ENCLOSURE - FLUSH MOUNT	6	\$784.08	\$0.00	\$784.08
Upfront Hardware and Installation	85170	AXON INTERVIEW - INSTALLATION - STANDARD (PER ROOM)	6	\$44,700.00	\$0.00	\$44,700.00
Total				\$81,894.59	\$0.00	\$81,894.59

May 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 2	50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	3	\$900.00	\$0.00	\$900.00
Annual Payment 2	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	3	\$1,015.56	\$0.00	\$1,015.56
Annual Payment 2	50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	\$700.00	\$0.00	\$700.00
Annual Payment 2	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$791.52	\$0.00	\$791.52
Annual Payment 2	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	12	\$16,092.00	\$0.00	\$16,092.00
Annual Payment 2	50448	AXON INTERVIEW - EXT WARRANTY	6	\$1,689.91	\$0.00	\$1,689.91
Total				\$21,188.99	\$0.00	\$21,188.99

May 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 3	50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	3	\$900.00	\$0.00	\$900.00
Annual Payment 3	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	3	\$1,015.56	\$0.00	\$1,015.56
Annual Payment 3	50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	\$700.00	\$0.00	\$700.00
Annual Payment 3	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$791.52	\$0.00	\$791.52
Annual Payment 3	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	12	\$16,092.00	\$0.00	\$16,092.00
Annual Payment 3	50448	AXON INTERVIEW - EXT WARRANTY	6	\$1,689.91	\$0.00	\$1,689.91
Total				\$21,188.99	\$0.00	\$21,188.99

May 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 4	50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	3	\$900.00	\$0.00	\$900.00

May 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 4	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	3	\$1,015.56	\$0.00	\$1,015.56
Annual Payment 4	50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	\$700.00	\$0.00	\$700.00
Annual Payment 4	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$791.52	\$0.00	\$791.52
Annual Payment 4	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	12	\$16,092.00	\$0.00	\$16,092.00
Annual Payment 4	50448	AXON INTERVIEW - EXT WARRANTY	6	\$1,689.91	\$0.00	\$1,689.91
Total				\$21,188.99	\$0.00	\$21,188.99

May 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 5	50037	AXON INTERVIEW - CLIENT SOFTWARE - PER TOUCH PANEL-PC	3	\$900.00	\$0.00	\$900.00
Annual Payment 5	50039	AXON INTERVIEW - CLIENT SOFTWARE - MAINT. PER TOUCH PANEL	3	\$1,015.56	\$0.00	\$1,015.56
Annual Payment 5	50041	AXON INTERVIEW - STREAMING SERVER LICENSE - PER SERVER	2	\$700.00	\$0.00	\$700.00
Annual Payment 5	50043	AXON INTERVIEW - STREAMING SERVER MAINTENANCE - PER SERVER	2	\$791.52	\$0.00	\$791.52
Annual Payment 5	50045	AXON EVIDENCE - STORAGE - INTERVIEW ROOM UNLIMITED	12	\$16,092.01	\$0.00	\$16,092.01
Annual Payment 5	50448	AXON INTERVIEW - EXT WARRANTY	6	\$1,689.91	\$0.00	\$1,689.91
Total				\$21,189.00	\$0.00	\$21,189.00

Sky-hero products are manufactured in European Union and are classified as military grade, transfer and re-export is strictly prohibited.

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract Sourcewell #101223-AXN is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at <https://www.axon.com/sales-terms-and-conditions>), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature

Date Signed

9/13/2024



STATEMENT OF WORK FOR THE IMPLEMENTATION OF AXON INTERVIEW ROOM FOR ("SOW")

Submitted By:

Axon Enterprise, Inc. (Axon) North 85th Street



1. PROJECT OVERVIEW:

1.1 SOFTWARE

The hardware and software detailed in this SOW includes, the listed functionality.

- ▶ Axon Interview Room

1.2 DEFINITIONS

TERM	DEFINITION
PARTIES	
Agency	who is identified within this SOW
End-Users	Specific Agency groups that will use the system
Professional Services	The services that Axon will provide within the scope of this SOW
SYSTEMS	
Axon Systems	Software solutions and Agency specific integrations developed by Axon
CJIS	The Federal Bureau of Investigation's Criminal Justice Information System
NCIC	National Crime Information Center
Product	The hardware and software solution being implemented as part of this SOW
Production Environment	The operational environment where the Product will be accessed
PROJECT & MILESTONES	
Project	Scope of this SOW as defined by the work to be completed described herein
Project Change Order (PCO)	Change order form outlined in Attachment B to be executed between Axon and Agency if a material change in scope is required to this SOW
ACCEPTANCE	
Blocker	Issue impacting 50% or more users
Functional Acceptance Testing	Testing the functionality of the system as configured for Agency



1.3 OUT OF PROJECT SCOPE

Axon is only responsible for performing the Professional Services described within this SOW. Any additional Professional Services that are not defined explicitly by this SOW shall be done so through a Project Change Order. The following are considered outside the scope of this Project:

- ▶ Administration, management, or support of any internal City, County, State, Federal or Agency IT network or infrastructure
- ▶ Third Party Products and Services costs related to the vendors or Agency's cost of implementing the vendors or Agency's side of the integration
- ▶ Changes made by Agency or Agency's vendors



2. PROFESSIONAL SERVICES:

2.1 GENERAL

- ▶ Axon will provide a project manager throughout entire project.

2.2 HARDWARE



2.3 INTERVIEW SOFTWARE

- ▶ Agency will ensure an appropriate resource is available to configure/troubleshoot network communications between onsite Interview Hardware. Agency will also assist in configure/troubleshoot connection to Axon Evidence.
- ▶ Agency may setup server per agencies standards for things such as, joining to the domain, antivirus, firewalls, etc, so long as they do not degrade operations of Interview Server(s)
- ▶ Axon will install Axon Interview Server Application, Agency may be required to provide appropriate permissions/credentials.
- ▶ Axon will install and configure Touch Panel Software.

2.4 READINESS

- ▶ Axon will supply Agency with copy of current QA/Testing Checklist.
- ▶ Axon will complete QA/Testing Checklist per room consisting of:
 - Hardware Wiring
 - Hardware Mounting
 - Hardware Functionality
 - Firmware Updates
 - Software Install and Configuration
 - Functional Test of all features

2.6 TRAINING

- ▶ Axon will provide training materials that may be used by agency. Training materials will be customized for agencies environment where applicable.
- ▶ Agency will provide facilities and equipment for conducting the Training.
- ▶ Train the Trainer: Axon will provide session(s), materials and support allowing Agency's in-house trainers to conduct their own Training. Agency is responsible for updating all Training materials after final acceptance.



3. PROJECT MANAGEMENT:

3.1 MANAGEMENT RESOURCES

- ▶ Both Parties will assign a Point of Contact, Project Manager, or Project Coordinator to ensure completion of deliverables.
- ▶ Axon's Project Coordinator will ensure all team members from Axon and Agency are continually updated on the status of the Project.

3.2 REQUIREMENTS PLANNING

- ▶ All Proposed Project timelines will be documented during Project Management Kickoff call.
- ▶ Once all requirements are agreed to, Axon's Project Coordinator will work with Agency's Project Manager to develop a Project plan for Axon's implementation.

3.3 CHANGE CONTROL

- ▶ If any changes in the Project cause a material increase or decrease in fees, as determined by Axon, an adjustment in the fees will be agreed upon and included in a signed PCO form.
- ▶ Agency acknowledges a proposed change request might have an impact on both scheduling and cost for the Project that will be outlined in the PCO form.



4. AGENCY COMMITMENTS:

- ▶ Ensure the reasonable availability for meetings, phone or email of knowledgeable staff and personnel to provide timely and accurate documentation and information to Axon.
- ▶ Identify holidays, non-workdays or major events that may impact the Project.
- ▶ Ensure Agency desktop or mobile systems and devices can access the Product.
- ▶ Make available relevant systems if needed for assessment by Axon (including making these systems available to Axon via remote access if possible).
- ▶ Technical Systems Requirements



5. SUPPORT:

- ▶ Axon will provide on-site installer/trainer support as part of project.
- ▶ The Product undergoes updates and enhancements which Agency will automatically receive.
- ▶ Axon will provide Agency's End Users access to the help.axon.com support portal to submit and review service tickets.
- ▶ For Technical Support assistance, Agency may contact a Technical Support representative at 800-978-2737, or via email at Support@Axon.com. Online, email-based support and remote-location troubleshooting are included on an ongoing basis as part of Agency's investment in the Axon ecosystem. Phone support is available 24/7.



6. TERMS AND CONDITIONS:

This SOW is governed by the Master Services and Purchasing Agreement executed by the Parties.

AXON ENTERPRISE, INC.

AGENCY

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



ATTACHMENT B - PROJECT CHANGE ORDER TEMPLATE

Date:
Axon Product or Service:
Change Order Details

AXON ENTERPRISE, INC.

AGENCY

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

This Master Services and Purchasing Agreement ("**Agreement**") is between Axon Enterprise, Inc. ("**Axon**"), and the customer listed below or, if no customer is listed below, the customer on the Quote attached hereto ("**Customer**"). This Agreement is effective as of the later of the (a) last signature date on this Agreement or (b) date of acceptance of the Quote ("**Effective Date**"). Axon and Customer are each a "**Party**" and collectively "**Parties**". This Agreement governs Customer's purchase and use of the Axon Devices and Services detailed in the Quote as defined below. It is the intent of the Parties that this Agreement will govern all subsequent purchases by Customer for the same Axon Devices and Services in the Quote, and all such subsequent quotes accepted by Customer shall be also incorporated into this Agreement by reference as a Quote. The Parties agree as follows:

1. **Definitions.**

- 1.1. "**Axon Cloud Services**" means Axon's web services, including but not limited to, Axon Evidence, Axon Records, Axon Dispatch, FUSUS services and interactions between Axon Evidence and Axon Devices or Axon client software. Axon Cloud Service excludes third-party applications, hardware warranties, and my.evidence.com.
- 1.2. "**Axon Device**" means all hardware provided by Axon under this Agreement. Axon-manufactured Devices are a subset of Axon Devices.
- 1.3. "**Quote**" means an offer to sell and is only valid for devices and services on the offer at the specified prices. Any inconsistent or supplemental terms within Customer's purchase order in response to a Quote will be void. Orders are subject to prior credit approval. Changes in the deployment estimated ship date may change charges in the Quote. Shipping dates are estimates only. Axon is not responsible for typographical errors in any Quote by Axon, and Axon reserves the right to cancel any orders resulting from such errors.
- 1.4. "**Services**" means all services provided by Axon under this Agreement, including software, Axon Cloud Services, and professional services.

2. **Term.** This Agreement begins on the Effective Date and continues until all subscriptions hereunder have expired or have been terminated ("**Term**").

- 2.1. All subscriptions including Axon Evidence, Axon Fleet, Officer Safety Plans, Technology Assurance Plans, and TASER 7 or TASER 10 plans begin on the date stated in the Quote. Each subscription term ends upon completion of the subscription stated in the Quote ("**Subscription Term**").
- 2.2. Upon completion of the Subscription Term, the Subscription Term will automatically renew for an additional 5 years ("**Renewal Term**"). For purchase of TASER 7 or TASER 10 as a standalone, Axon may increase pricing to its then-current list pricing for any Renewal Term. For all other purchases, Axon may increase pricing on all line items in the Quote by up to 3% at the beginning of each year of the Renewal Term. New devices and services may require additional terms. Axon will not authorize services until Axon receives a signed Quote or accepts a purchase order, whichever is first.

3. **Payment.** Axon invoices for Axon Devices upon shipment, or on the date specified within the invoicing plan in the Quote. Payment is due net 30 days from the invoice date. Axon invoices for Axon Cloud Services on an upfront annual basis prior to the beginning of the Subscription Term and upon the anniversary of the Subscription Term. Payment obligations are non-cancelable. Unless otherwise prohibited by law, Customer will pay interest on all past-due sums at the lower of one-and-a-half percent (1.5%) per month or the highest rate allowed by law. Customer will pay invoices without setoff, deduction, or withholding. If Axon sends a past due account to collections, Customer is responsible for collection and attorneys' fees.

4. **Taxes.** Customer is responsible for sales and other taxes associated with the order unless Customer provides Axon a valid tax exemption certificate.

5. **Shipping.** Axon may make partial shipments and ship Axon Devices from multiple locations. All shipments are EXW (Incoterms 2020) via common carrier. Title and risk of loss pass to Customer upon Axon's delivery to the common carrier. Customer is responsible for any shipping charges in the Quote.

6. **Returns.** All sales are final. Axon does not allow refunds or exchanges, except warranty returns or as provided by state or federal law.

7. **Warranty.**

- 7.1. **Limited Warranty.** Axon warrants that Axon-manufactured Devices are free from defects in workmanship and materials for one (1) year from the date of Customer's receipt, except Signal Sidearm which Axon warrants for thirty (30) months from Customer's receipt and Axon-manufactured accessories, which Axon warrants for ninety (90) days from Customer's receipt, respectively, from the date of Customer's receipt. Used conducted energy weapon ("**CEW**") cartridges are deemed to have operated properly. Extended warranties run from the expiration of the one (1) year hardware warranty through the extended warranty term purchased.

Title: Master Services and Purchasing Agreement between Axon and Customer

Department: Legal

Version: 22

Release Date: 8/2/2024

- 7.2. **Disclaimer.** All software and Axon Cloud Services are provided "AS IS," without any warranty of any kind, either express or implied, including without limitation the implied warranties of merchantability, fitness for a particular purpose and non-infringement. Axon Devices and Services that are not manufactured, published or performed by Axon ("Third-Party Products") are not covered by Axon's warranty and are only subject to the warranties of the third-party provider or manufacturer.
- 7.3. **Claims.** If Axon receives a valid warranty claim for an Axon-manufactured Device during the warranty term, Axon's sole responsibility is to repair or replace the Axon-manufactured Device with the same or like Axon-manufactured Device, at Axon's option. A replacement Axon-manufactured Device will be new or like new. Axon will warrant the replacement Axon-manufactured Device for the longer of (a) the remaining warranty of the original Axon-manufactured Device or (b) ninety (90) days from the date of repair or replacement.
- 7.3.1. If Customer exchanges an Axon Device or part, the replacement item becomes Customer's property, and the replaced item becomes Axon's property. Before delivering an Axon-manufactured Device for service, Customer must upload Axon-manufactured Device data to Axon Evidence or download it and retain a copy. Axon is not responsible for any loss of software, data, or other information contained in storage media or any part of the Axon-manufactured Device sent to Axon for service.
- 7.4. **Spare Axon Devices.** At Axon's reasonable discretion, Axon may provide Customer a predetermined number of spare Axon Devices as detailed in the Quote ("**Spare Axon Devices**"). Spare Axon Devices are intended to replace broken or non-functioning units while Customer submits the broken or non-functioning units, through Axon's warranty return process. Axon will repair or replace the unit with a replacement Axon Device. Title and risk of loss for all Spare Axon Devices shall pass to Customer in accordance with shipping terms of this Agreement. Axon assumes no liability or obligation in the event Customer does not utilize Spare Axon Devices for the intended purpose.
- 7.5. **Limitations.** Axon's warranty excludes damage related to: (a) failure to follow Axon Device use instructions; (b) Axon Devices used with equipment not manufactured or recommended by Axon; (c) abuse, misuse, or intentional damage to Axon Device; (d) force majeure; (e) Axon Devices repaired or modified by persons other than Axon without Axon's written permission; or (f) Axon Devices with a defaced or removed serial number. Axon's warranty will be void if Customer resells Axon Devices.
- 7.5.1. **To the extent permitted by law, the above warranties and remedies are exclusive. Axon disclaims all other warranties, remedies, and conditions, whether oral, written, statutory, or implied. If statutory or implied warranties cannot be lawfully disclaimed, then such warranties are limited to the duration of the warranty described above and by the provisions in this Agreement. Customer confirms and agrees that in deciding whether to sign this Agreement, Customer has not relied on any statement or representation by Axon or anyone acting on behalf of Axon related to the subject matter of this Agreement that is not in this Agreement.**
- 7.5.2. **Axon's cumulative liability to any party for any loss or damage resulting from any claim, demand, or action arising out of or relating to this Agreement will not exceed the purchase price paid to Axon for the Axon Device, or if for Services, the amount paid for such Services over the twelve (12) months preceding the claim. Neither Party will be liable for special, indirect, incidental, punitive or consequential damages, however caused, whether for breach of warranty or contract, negligence, strict liability, tort or any other legal theory.**
- 7.6. **Online Support Platforms.** Use of Axon's online support platforms (e.g., Axon Academy and MyAxon) is governed by the Axon Online Support Platforms Terms of Use Appendix available at www.axon.com/sales-terms-and-conditions.
- 7.7. **Third-Party Software and Services.** Use of software or services other than those provided by Axon is governed by the terms, if any, entered into between Customer and the respective third-party provider, including, without limitation, the terms applicable to such software or services located at www.axon.com/sales-terms-and-conditions, if any.
- 7.8. **Axon Aid.** Upon mutual agreement between Axon and Customer, Axon may provide certain products and services to Customer, as a charitable donation under the Axon Aid program. In such event, Customer expressly waives and releases any and all claims, now known or hereafter known, against Axon and its officers, directors, employees, agents, contractors, affiliates, successors, and assigns (collectively, "**Releasees**"), including but not limited to, on account of injury, death, property damage, or loss of data, arising out of or attributable to the Axon Aid program whether arising out of the negligence of any Releasees or otherwise. Customer agrees not to make or bring any such claim against any Releasee, and forever release and discharge all Releasees from liability under such claims. Customer expressly allows Axon to publicly announce its participation in Axon Aid and use its name in marketing materials. Axon may terminate the Axon Aid program without cause immediately

upon notice to the Customer.

8. **Statement of Work.** Certain Axon Devices and Services, including Axon Interview Room, Axon Channel Services, and Axon Fleet, may require a Statement of Work that details Axon's Service deliverables ("**SOW**"). In the event Axon provides an SOW to Customer, Axon is only responsible for the performance of Services described in the SOW. Additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule. The SOW is incorporated into this Agreement by reference.
9. **Axon Device Warnings.** See www.axon.com/legal for the most current Axon Device warnings.
10. **Design Changes.** Axon may make design changes to any Axon Device or Service without notifying Customer or making the same change to Axon Devices and Services previously purchased by Customer.
11. **Bundled Offerings.** Some offerings in bundled offerings may not be generally available at the time of Customer's purchase. Axon will not provide a refund, credit, or additional discount beyond what is in the Quote due to a delay of availability or Customer's election not to utilize any portion of an Axon bundle.
12. **Insurance.** Axon will maintain General Liability, Workers' Compensation, and Automobile Liability insurance. Upon request, Axon will supply certificates of insurance.
13. **IP Rights.** Axon owns and reserves all right, title, and interest in Axon-manufactured Devices and Services and suggestions to Axon, including all related intellectual property rights. Customer will not cause any Axon proprietary rights to be violated.
14. **IP Indemnification.** Axon will indemnify Customer against all claims, losses, and reasonable expenses from any third-party claim alleging that the use of Axon-manufactured Devices, Axon Cloud Services or Axon software ("**Axon Products**") infringes or misappropriates the third-party's intellectual property rights. Customer must promptly provide Axon with written notice of such claim, tender to Axon the defense or settlement of such claim at Axon's expense and cooperate fully with Axon in the defense or settlement of such claim. Axon's IP indemnification obligations do not apply to claims based on (a) modification of Axon Products by Customer or a third-party not approved by Axon; (b) use of Axon Products in combination with hardware or services not approved by Axon; (c) use of Axon Products other than as permitted in this Agreement; or (d) use of Axon Products that is not the most current software release provided by Axon.
15. **Customer Responsibilities.** Customer is responsible for (a) Customer's use of Axon Devices; (b) Customer or an end user's breach of this Agreement or violation of applicable law; (c) disputes between Customer and a third-party over Customer's use of Axon Devices; (d) secure and sustainable destruction and disposal of Axon Devices at Customer's cost; and (e) any regulatory violations or fines, as a result of improper destruction or disposal of Axon Devices.
16. **Termination.**
 - 16.1. **For Breach.** A Party may terminate this Agreement for cause if it provides thirty (30) days written notice of the breach to the other Party, and the breach remains uncured thirty (30) days after written notice. If Customer terminates this Agreement due to Axon's uncured breach, Axon will refund prepaid amounts on a prorated basis based on the effective date of termination.
 - 16.2. **By Customer.** If sufficient funds are not appropriated or otherwise legally available to pay the fees, Customer may terminate this Agreement. Customer will deliver notice of termination under this section as soon as reasonably practicable.
 - 16.3. **Effect of Termination.** Upon termination of this Agreement, Customer rights immediately terminate. Customer remains responsible for all fees incurred before the effective date of termination. If Customer purchases Axon Devices for less than the manufacturer's suggested retail price ("**MSRP**") and this Agreement terminates before the end of the Term, Axon will invoice Customer the difference between the MSRP for Axon Devices received, including any Spare Axon Devices, and amounts paid towards those Axon Devices. Only if terminating for non-appropriation, Customer may return Axon Devices to Axon within thirty (30) days of termination. MSRP is the standalone price of the individual Axon Device at the time of sale. For bundled Axon Devices, MSRP is the standalone price of all individual components.
17. **Confidentiality.** "**Confidential Information**" means nonpublic information designated as confidential or, given the nature of the information or circumstances surrounding disclosure, should reasonably be understood to be confidential. Each Party will take reasonable measures to avoid disclosure, dissemination, or unauthorized use of the other Party's Confidential Information. Unless required by law, neither Party will disclose the other Party's Confidential Information during the Term and for five (5) years thereafter. To the extent permissible by law, Axon pricing is Confidential Information and competition sensitive. If Customer receives a public records request to disclose Axon

Confidential Information, to the extent allowed by law, Customer will provide notice to Axon before disclosure. Axon may publicly announce information related to this Agreement.

18. **General.**

- 18.1. **Force Majeure.** Neither Party will be liable for any delay or failure to perform due to a cause beyond a Party's reasonable control.
- 18.2. **Independent Contractors.** The Parties are independent contractors. Neither Party has the authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, Customer, fiduciary, or employment relationship between the Parties.
- 18.3. **Third-Party Beneficiaries.** There are no third-party beneficiaries under this Agreement.
- 18.4. **Non-Discrimination.** Neither Party nor its employees will discriminate against any person based on race; religion; creed; color; sex; gender identity and expression; pregnancy; childbirth; breastfeeding; medical conditions related to pregnancy, childbirth, or breastfeeding; sexual orientation; marital status; age; national origin; ancestry; genetic information; disability; veteran status; or any class protected by local, state, or federal law.
- 18.5. **Export Compliance.** Each Party will comply with all import and export control laws and regulations.
- 18.6. **Assignment.** Neither Party may assign this Agreement without the other Party's prior written consent. Axon may assign this Agreement, its rights, or obligations without consent: (a) to an affiliate or subsidiary; or (b) for purposes of financing, merger, acquisition, corporate reorganization, or sale of all or substantially all its assets. This Agreement is binding upon the Parties respective successors and assigns.
- 18.7. **Waiver.** No waiver or delay by either Party in exercising any right under this Agreement constitutes a waiver of that right.
- 18.8. **Severability.** If a court of competent jurisdiction holds any portion of this Agreement invalid or unenforceable, the remaining portions of this Agreement will remain in effect.
- 18.9. **Survival.** The following sections will survive termination: Payment, Warranty, Axon Device Warnings, Indemnification, IP Rights, Customer Responsibilities and any other Sections detailed in the survival sections of the Appendices.
- 18.10. **Governing Law.** The laws of the country, state, province, or municipality where Customer is physically located, without reference to conflict of law rules, govern this Agreement and any dispute arising from it. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.
- 18.11. **Notices.** All notices must be in English. Notices posted on Customer's Axon Evidence site are effective upon posting. Notices by email are effective on the sent date of the email. Notices by personal delivery are effective immediately. Notices to Customer shall be provided to the address on file with Axon. Notices to Axon shall be provided to Axon Enterprise, Inc., Attn: Legal, 17800 North 85th Street, Scottsdale, Arizona 85255 with a copy to legal@axon.com.
- 18.12. **Entire Agreement.** This Agreement, the Appendices, including any applicable Appendices not attached herein for the products and services purchased, which are incorporated by reference and located in the Master Purchasing and Services Agreement located at <https://www.axon.com/sales-terms-and-conditions>, Quote and any SOW(s), represents the entire agreement between the Parties. This Agreement supersedes all prior agreements or understandings, whether written or verbal, regarding the subject matter of this Agreement. This Agreement may only be modified or amended in a writing signed by the Parties.



Master Services and Purchasing Agreement for Customer

Each Party, by and through its respective representative authorized to execute this Agreement, has duly executed and delivered this Agreement as of the date of signature.

AXON:

Axon Enterprise, Inc.

Signature: _____

Name: _____

Title: _____

Date: _____

CUSTOMER:

Signature: _____

Name: _____

Title: _____

Date: _____

Axon Cloud Services Terms of Use Appendix

1. Definitions.

- a. "**Customer Content**" is data uploaded into, ingested by, or created in Axon Cloud Services within Customer's tenant, including media or multimedia uploaded into Axon Cloud Services by Customer. Customer Content includes Evidence but excludes Non-Content Data.
 - b. "**Evidence**" is media or multimedia uploaded into Axon Evidence as 'evidence' by a Customer. Evidence is a subset of Customer Content.
 - c. "**Non-Content Data**" is data, configuration, and usage information about Customer's Axon Cloud Services tenant, Axon Devices and client software, and users that is transmitted or generated when using Axon Devices. Non-Content Data includes data about users captured during account management and customer support activities. Non-Content Data does not include Customer Content.
 - d. "**Provided Data**" means de-identified, de-personalized, data derived from Customer's TASER energy weapon deployment reports, related TASER energy weapon logs, body-worn camera footage, and incident reports.
 - e. "**Transformed Data**" means the Provided Data used for the purpose of quantitative evaluation of the performance and effectiveness of TASER energy weapons in the field across a variety of circumstances.
2. **Access.** Upon Axon granting Customer a subscription to Axon Cloud Services, Customer may access and use Axon Cloud Services to store and manage Customer Content. Customer may not exceed more end users than the Quote specifies. Axon Air requires an Axon Evidence subscription for each drone operator. For Axon Evidence Lite, Customer may access and use Axon Evidence only to store and manage TASER CEW and TASER CAM data ("**TASER Data**"). Customer may not upload non-TASER Data to Axon Evidence Lite.
3. **Customer Owns Customer Content.** Customer controls and owns all right, title, and interest in Customer Content. Except as outlined herein, Axon obtains no interest in Customer Content, and Customer Content is not Axon's business records. Customer is solely responsible for uploading, sharing, managing, and deleting Customer Content. Axon will only have access to Customer Content for the limited purposes set forth herein. Customer agrees to allow Axon access to Customer Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of the Axon products.
4. **Security.** Axon will implement commercially reasonable and appropriate measures to secure Customer Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program to protect Axon Cloud Services and Customer Content including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. Axon agrees to the Federal Bureau of Investigation Criminal Justice Information Services Security Addendum for its digital evidence or records management systems.
5. **Customer Responsibilities.** Customer is responsible for (a) ensuring Customer owns Customer Content or has the necessary rights to use Customer Content (b) ensuring no Customer Content or Customer end user's use of Customer Content or Axon Cloud Services violates this Agreement or applicable laws; (c) maintaining necessary computer equipment and Internet connections for use of Axon Cloud Services and (d) verify the accuracy of any auto generated or AI generated reports. If Customer becomes aware of any violation of this Agreement by an end user, Customer will immediately terminate that end user's access to Axon Cloud Services.
- a. Customer will also maintain the security of end usernames and passwords and security and access by end users to Customer Content. Customer is responsible for ensuring the configuration and utilization of Axon Cloud Services meet applicable Customer regulation and standards. Customer may not sell, transfer, or sublicense access to any other entity or person. If Customer provides access to unauthorized third-parties, Axon may assess additional fees along with suspending Customer's access. Customer shall contact Axon immediately if an unauthorized party may be using Customer's account or Customer Content, or if account information is lost or stolen.
6. **Privacy.** Customer's use of Axon Cloud Services is subject to the Axon Cloud Services Privacy Policy, a current version of which is available at <https://www.axon.com/legal/cloud-services-privacy-policy>. Customer agrees to allow Axon access to Non-Content Data from Customer to (a) perform troubleshooting, maintenance, or diagnostic



Master Services and Purchasing Agreement for Customer

screenings; (b) provide, develop, improve, and support current and future Axon products and related services; and (c) enforce this Agreement or policies governing the use of Axon products.

7. **Axon Body Wi-Fi Positioning.** Axon Body cameras may offer a feature to enhance location services where GPS/GNSS signals may not be available, for instance, within buildings or underground. Customer administrators can manage their choice to use this service within the administrative features of Axon Cloud Services. If Customer chooses to use this service, Axon must also enable the usage of the feature for Customer's Axon Cloud Services tenant. Customer will not see this option with Axon Cloud Services unless Axon has enabled Wi-Fi Positioning for Customer's Axon Cloud Services tenant.

8. **Storage.** For Axon Unlimited Device Storage subscriptions, Customer may store unlimited data in Customer's Axon Evidence account only if data originates from Axon Capture or an Axon Device. Axon may charge Customer additional fees for exceeding purchased storage amounts. Axon may place Customer Content that Customer has not viewed or accessed for six (6) months into archival storage. Customer Content in archival storage will not have immediate availability and may take up to twenty-four (24) hours to access.

For Third-Party Unlimited Storage the following restrictions apply: (i) it may only be used in conjunction with a valid Axon's Evidence.com user license; (ii) is limited to data of the law enforcement Customer that purchased the Third-Party Unlimited Storage and the Axon's Evidence.com end user or Customer is prohibited from storing data for other law enforcement agencies; and (iii) Customer may only upload and store data that is directly related to: (1) the investigation of, or the prosecution of a crime; (2) common law enforcement activities; or (3) any Customer Content created by Axon Devices or Evidence.com.

9. **Location of Storage.** Axon may transfer Customer Content to third-party subcontractors for storage. Axon will determine the locations of data centers for storage of Customer Content. For United States agencies, Axon will ensure all Agency Content stored in Axon Cloud Services remains within the United States. Ownership of Customer Content remains with Customer.

10. **Suspension.** Axon may temporarily suspend Customer's or any end user's right to access or use any portion or all of Axon Cloud Services immediately upon notice, if Customer or end user's use of or registration for Axon Cloud Services may (a) pose a security risk to Axon Cloud Services or any third-party; (b) adversely impact Axon Cloud Services, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent. Customer remains responsible for all fees incurred through suspension. Axon will not delete Customer Content because of suspension, except as specified in this Agreement.

11. **Axon Cloud Services Warranty.** Axon disclaims any warranties or responsibility for data corruption or errors before Customer uploads data to Axon Cloud Services.

12. **TASER Data Science Program.** Axon will provide a quantitative evaluation on the performance and effectiveness of TASER energy weapons in the field across a variety of circumstances.

If Customer purchases the TASER Data Science Program, Customer grants Axon, its affiliates, and assignees an irrevocable, perpetual, fully paid, royalty-free, and worldwide right and license to use Provided Data solely for the purposes of this Agreement and to create Transformed Data. Customer shall own all rights and title to Provided Data. Axon shall own all rights and title to Transformed Data and any derivatives of Transformed Data.

Axon grants to Customer an irrevocable, perpetual, fully paid, royalty-free, license to use to TASER Data Science report provided to Customer for its own internal purposes. **The Data Science report is provided "as is" and without any warranty of any kind.**

In the event Customer seeks Axon's deletion of Provided Data, it may submit a request to privacy@axon.com. Where reasonably capable of doing so, Axon will implement the request but at a minimum will not continue to collect Provided Data from Customer.

13. **Axon Records.** Axon Records is the software-as-a-service product that is generally available at the time Customer purchases an OSP 7 or OSP 10 bundle. During Customer's Axon Records Subscription Term, if any, Customer will be entitled to receive Axon's Update and Upgrade releases on an if-and-when available basis.

a. The Axon Records Subscription Term will end upon the completion of the Axon Records Subscription as documented in the Quote, or if purchased as part of an OSP 7 or OSP 10 bundle, upon completion of the OSP 7 or OSP 10 Term ("**Axon Records Subscription**")

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- b. An "**Update**" is a generally available release of Axon Records that Axon makes available from time to time. An "**Upgrade**" includes (i) new versions of Axon Records that enhance features and functionality, as solely determined by Axon; and/or (ii) new versions of Axon Records that provide additional features or perform additional functions. Upgrades exclude new products that Axon introduces and markets as distinct products or applications.
- c. New or additional Axon products and applications, as well as any Axon professional services needed to configure Axon Records, are not included. If Customer purchases Axon Records as part of a bundled offering, the Axon Record subscription begins on the later of the (1) start date of that bundled offering, or (2) date Axon provisions Axon Records to Customer.
- d. Users of Axon Records at the Customer may upload files to entities (incidents, reports, cases, etc) in Axon Records with no limit to the number of files and amount of storage. Notwithstanding the foregoing, Axon may limit usage should the Customer exceed an average rate of one-hundred (100) GB per user per year of uploaded files. Axon will not bill for overages.
14. **Axon Cloud Services Restrictions.** Customer and Customer end users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:
- a. reverse engineer, disassemble, or decompile Axon Cloud Services or apply any process to derive any source code included in Axon Cloud Services, or allow others to do the same;
 - b. copy, modify, tamper with, repair, or create derivative works of any part of Axon Cloud Services;
 - c. access or use Axon Cloud Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;
 - d. use Axon Cloud Services as a service bureau, or as part of an Customer infrastructure as a service;
 - e. use trade secret information contained in Axon Cloud Services, except as expressly permitted in this Agreement;
 - f. access Axon Cloud Services to build a competitive device or service or copy any features, functions, or graphics of Axon Cloud Services;
 - g. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within Axon Cloud Services; or
 - h. use Axon Cloud Services to store or transmit infringing, libelous, or other unlawful or tortious material; material in violation of third-party privacy rights; or malicious code.
15. **Draft One** Axon may impose usage restrictions if a single user generates more than one hundred (100) reports per month for two or more consecutive months.
16. **After Termination.** Axon will not delete Customer Content for ninety (90) days following termination. Axon Cloud Services will not be functional during these ninety (90) days other than the ability to retrieve Customer Content. Customer will not incur additional fees if Customer downloads Customer Content from Axon Cloud Services during this time. Axon has no obligation to maintain or provide Customer Content after these ninety (90) days and will thereafter, unless legally prohibited, delete all Customer Content. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Customer Content from Axon Cloud Services.
17. **Post-Termination Assistance.** Axon will provide Customer with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Customer Content, including requests for Axon's data egress service, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.
18. **U.S. Government Rights.** If Customer is a U.S. Federal department or using Axon Cloud Services on behalf of a U.S. Federal department, Axon Cloud Services is provided as a "commercial item," "commercial computer software," "commercial computer software documentation," and "technical data", as defined in the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. If Customer is using Axon Cloud Services on behalf of the U.S. Government and these terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, Customer will immediately discontinue use of Axon Cloud Services.
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Master Services and Purchasing Agreement for Customer

19. **Survival.** Upon any termination of this Agreement, the following sections in this Appendix will survive: Customer Owns Customer Content, Privacy, Storage, Axon Cloud Services Warranty, Customer Responsibilities and Axon Cloud Services Restrictions.

Axon Customer Experience Improvement Program Appendix

1. **Axon Customer Experience Improvement Program (ACEIP).** The ACEIP is designed to accelerate Axon's development of technology, such as building and supporting automated features, to ultimately increase safety within communities and drive efficiency in public safety. To this end, subject to the limitations on Axon as described below, Axon, where allowed by law, may make limited use of Customer Content from all of its customers to provide, develop, improve, and support current and future Axon products (collectively, "ACEIP Purposes"). However, at all times, Axon will comply with its obligations pursuant to the Axon Cloud Services Terms of Use Appendix to maintain a comprehensive data security program (including compliance with the CJIS Security Policy for Criminal Justice Information), privacy program, and data governance policy, including high industry standards of de-identifying Personal Data, to enforce its security and privacy obligations for the ACEIP. ACEIP has 2 tiers of participation, Tier 1 and Tier 2. By default, Customer will be a participant in ACEIP Tier 1. If Customer does not want to participate in ACEIP Tier 1, Customer can revoke its consent at any time. If Customer wants to participate in Tier 2, as detailed below, Customer can check the ACEIP Tier 2 box below. If Customer does not want to participate in ACEIP Tier 2, Customer should leave box unchecked. At any time, Customer may revoke its consent to ACEIP Tier 1, Tier 2, or both Tiers.
2. **ACEIP Tier 1.**
 - 2.1. When Axon uses Customer Content for the ACEIP Purposes, Axon will extract from Customer Content and may store separately copies of certain segments or elements of the Customer Content (collectively, "**ACEIP Content**"). When extracting ACEIP Content, Axon will use commercially reasonable efforts to aggregate, transform or de-identify Customer Content so that the extracted ACEIP Content is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual ("**Privacy Preserving Technique(s)**"). For illustrative purposes, some examples are described in footnote 1¹. For clarity, ACEIP Content will still be linked indirectly, with an attribution, to the Customer from which it was extracted. This attribution will be stored separately from the data itself, but is necessary for and will be solely used to enable Axon to identify and delete all ACEIP Content upon Customer request. Once de-identified, ACEIP Content may then be further modified, analyzed, and used to create derivative works. At any time, Customer may revoke the consent granted herein to Axon to access and use Customer Content for ACEIP Purposes. Within 30 days of receiving the Customer's request, Axon will no longer access or use Customer Content for ACEIP Purposes and will delete any and all ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to Customer. In addition, if Axon uses Customer Content for the ACEIP Purposes, upon request, Axon will make available to Customer a list of the specific type of Customer Content being used to generate ACEIP Content, the purpose of such use, and the retention, privacy preserving extraction technique, and relevant data protection practices applicable to the Customer Content or ACEIP Content ("**Use Case**"). From time to time, Axon may develop and deploy new Use Cases. At least 30 days prior to authorizing the deployment of any new Use Case, Axon will provide Customer notice (by updating the list of Use Case at <https://www.axon.com/aceip> and providing Customer with a mechanism to obtain notice of that update or another commercially reasonable method to Customer designated contact) ("**New Use Case**").
 - 2.2. **Expiration of ACEIP Tier 1.** Customer consent granted herein will expire upon termination of the Agreement. In accordance with section 1.1.1, within 30 days of receiving the Customer's request, Axon will no longer access or use Customer Content for ACEIP Purposes and will delete ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to, Customer.
3. **ACEIP Tier 2.** In addition to ACEIP Tier 1, if Customer wants to help further improve Axon's services, Customer may choose to participate in Tier 2 of the ACEIP. ACEIP Tier 2 grants Axon certain additional rights to use Customer

¹ For example; (a) when extracting specific text to improve automated transcription capabilities, text that could be used to directly identify a particular individual would not be extracted, and extracted text would be disassociated from identifying metadata of any speakers, and the extracted text would be split into individual words and aggregated with other data sources (including publicly available data) to remove any reasonable ability to link any specific text directly or indirectly back to a particular individual; (b) when extracting license plate data to improve Automated License Plate Recognition (ALPR) capabilities, individual license plate characters would be extracted and disassociated from each other so a complete plate could not be reconstituted, and all association to other elements of the source video, such as the vehicle, location, time, and the surrounding environment would also be removed; (c) when extracting audio of potential acoustic events (such as glass breaking or gun shots), very short segments (<1 second) of audio that only contains the likely acoustic events would be extracted and all human utterances would be removed.



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Content, in addition to those set forth in Tier 1 above, without the guaranteed deployment of a Privacy Preserving Technique to enable product development, improvement, and support that cannot be accomplished with aggregated, transformed, or de-identified data.

Check this box if Customer wants to help further improve Axon's services by participating in ACEIP Tier 2 in addition to Tier 1. Axon will not enroll Customer into ACEIP Tier 2 until Axon and Customer agree to terms in writing providing for such participation in ACEIP Tier 2.

Professional Services Appendix

If any of the Professional Services specified below are included on the Quote, this Appendix applies.

- Utilization of Services.** Customer must use professional services as outlined in the Quote and this Appendix within six (6) months of the Effective Date.
- Axon Full Service (Axon Full Service).** Axon Full Service includes advance remote project planning and configuration support and up to four (4) consecutive days of on-site service and a professional services manager to work with Customer to assess Customer’s deployment and determine which on-site services are appropriate. If Customer requires more than four (4) consecutive on-site days, Customer must purchase additional days. Axon Full Service options include:

<p>System set up and configuration</p> <ul style="list-style-type: none"> Instructor-led setup of Axon View on smartphones (if applicable) Configure categories and custom roles based on Customer need Register cameras to Customer domain Troubleshoot IT issues with Axon Evidence and Axon Dock ("Dock") access One on-site session included
<p>Dock configuration</p> <ul style="list-style-type: none"> Work with Customer to decide the ideal location of Docks and set configurations on Dock Authenticate Dock with Axon Evidence using admin credentials from Customer On-site assistance, not to include physical mounting of docks
<p>Best practice implementation planning session</p> <ul style="list-style-type: none"> Provide considerations for the establishment of video policy and system operations best practices based on Axon’s observations with other agencies Discuss the importance of entering metadata in the field for organization purposes and other best practices for digital data management Provide referrals of other agencies using the Axon camera devices and Axon Evidence Recommend rollout plan based on review of shift schedules
<p>System Admin and troubleshooting training sessions Step-by-step explanation and assistance for Customer’s configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence</p>
<p>Axon instructor training (Train the Trainer) Training for Customer’s in-house instructors who can support Customer’s Axon camera and Axon Evidence training needs after Axon has fulfilled its contractual on-site obligations</p>
<p>Evidence sharing training Tailored workflow instruction for Investigative Units on sharing Cases and Evidence with local prosecuting agencies</p>
<p>End user go-live training and support sessions</p> <ul style="list-style-type: none"> Assistance with device set up and configuration Training on device use, Axon Evidence, and Evidence Sync
<p>Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide</p>
<p>Post go-live review</p>

- Body-Worn Camera Starter Service (Axon Starter).** Axon Starter includes advance remote project planning and configuration support and one (1) day of on-site Services and a professional services manager to work closely with Customer to assess Customer’s deployment and determine which Services are appropriate. If Customer requires more than one (1) day of on-site Services, Customer must purchase additional on-site Services. The Axon Starter options include:

System set up and configuration (Remote Support)



<ul style="list-style-type: none"> • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories & custom roles based on Customer need • Troubleshoot IT issues with Axon Evidence and Dock access
<p>Dock configuration</p> <ul style="list-style-type: none"> • Work with Customer to decide the ideal location of Dock setup and set configurations on Dock • Authenticate Dock with Axon Evidence using "Administrator" credentials from Customer • Does not include physical mounting of docks
<p>Axon instructor training (Train the Trainer) Training for Customer's in-house instructors who can support Customer's Axon camera and Axon Evidence training needs after Axon's has fulfilled its contracted on-site obligations</p>
<p>End user go-live training and support sessions</p> <ul style="list-style-type: none"> • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
<p>Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide</p>

4. **Body-Worn Camera Virtual 1-Day Service (Axon Virtual).** Axon Virtual includes all items in the BWC Starter Service Package, except one (1) day of on-site services.

5. **CEW Services Packages.** CEW Services Packages are detailed below:

<p>System set up and configuration</p> <ul style="list-style-type: none"> • Configure Axon Evidence categories & custom roles based on Customer need. • Troubleshoot IT issues with Axon Evidence. • Register users and assign roles in Axon Evidence. • For the CEW Full Service Package: On-site assistance included • For the CEW Starter Package: Virtual assistance included
<p>Dedicated Project Manager Assignment of specific Axon representative for all aspects of planning the rollout (Project Manager). Ideally, Project Manager will be assigned to Customer 4–6 weeks before rollout</p>
<p>Best practice implementation planning session to include:</p> <ul style="list-style-type: none"> • Provide considerations for the establishment of CEW policy and system operations best practices based on Axon's observations with other agencies • Discuss the importance of entering metadata and best practices for digital data management • Provide referrals to other agencies using TASER CEWs and Axon Evidence • For the CEW Full Service Package: On-site assistance included • For the CEW Starter Package: Virtual assistance included
<p>System Admin and troubleshooting training sessions On-site sessions providing a step-by-step explanation and assistance for Customer's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence</p>
<p>Axon Evidence Instructor training</p> <ul style="list-style-type: none"> • Provide training on the Axon Evidence to educate instructors who can support Customer's subsequent Axon Evidence training needs. • For the CEW Full Service Package: Training for up to 3 individuals at Customer • For the CEW Starter Package: Training for up to 1 individual at Customer
<p>TASER CEW inspection and device assignment Axon's on-site professional services team will perform functions check on all new TASER CEW Smart weapons and assign them to a user on Axon Evidence.</p>
<p>Post go-live review For the CEW Full Service Package: On-site assistance included. For the CEW Starter Package: Virtual assistance included.</p>

6. **Smart Weapon Transition Service.** The Smart Weapon Transition Service includes:

<p>Archival of CEW Firing Logs Axon's on-site professional services team will upload CEW firing logs to Axon Evidence from all TASER CEW</p>
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Smart Weapons that Customer is replacing with newer Smart Weapon models.

Return of Old Weapons

Axon's on-site professional service team will ship all old weapons back to Axon's headquarters. Axon will provide Customer with a Certificate of Destruction

*Note: CEW Full Service packages for TASER 7 or TASER 10 include Smart Weapon Transition Service instead of 1-Day Device Specific Instructor Course.

- 7. **VR Services Package.** VR Service includes advance remote project planning and configuration support and one (1) day of on-site service and a professional services manager to work with Customer to assess Customer's deployment and determine which Services are appropriate. The VR Service training options include:

System set up and configuration (Remote Support)

- Instructor-led setup of Axon VR headset content
- Configure Customer settings based on Customer need
- Troubleshoot IT issues with Axon VR headset

Axon instructor training (Train the Trainer)

Training for up to five (5) Customer's in-house instructors who can support Customer's Axon VR CET and SIM training needs after Axon's has fulfilled its contracted on-site obligations

Classroom and practical training sessions

Step-by-step explanation and assistance for Customer's configuration of Axon VR CET and SIM functionality, basic operation, and best practices

- 8. **Axon Air, On-Site Training.** Axon Air, On-Site training includes advance remote project planning and configuration support and one (1) day of on-site Services and a professional services manager to work closely with Customer to assess Customer's deployment and determine which Services are appropriate. If Customer's requires more than one (1) day of on-site Services, Customer must purchase additional on-site Services. The Axon Air, On-Site training options include:

System set up and configuration (Remote Support)

- Instructor-led setup of Axon Air App (ASDS)
- Configure Customer settings based on Customer need
- Configure drone controller
- Troubleshoot IT issues with Axon Evidence

Axon instructor training (Train the Trainer)

Training for Customer's in-house instructors who can support Customer's Axon Air and Axon Evidence training needs after Axon's has fulfilled its contracted on-site obligations

Classroom and practical training sessions

Step-by-step explanation and assistance for Customer's configuration of Axon Respond+ livestreaming functionality, basic operation, and best practices

- 9. **Axon Air, Virtual Training.** Axon Air, Virtual training includes all items in the Axon Air, On-Site Training Package, except the practical training session, with the Axon Instructor training for up to four hours virtually.

10. **Signal Sidearm Installation Service.**

- a. **Purchases of 50 SSA units or more:** Axon will provide one (1) day of on-site service and one professional services manager and will provide train the trainer instruction, with direct assistance on the first of each unique holster/mounting type. Customer is responsible for providing a suitable work/training area.
- b. **Purchases of less than 50 SSA units:** Axon will provide a 1-hour virtual instruction session on the basics of installation and device calibration.

- 11. **Out of Scope Services.** Axon is only responsible to perform the professional services described in the Quote and this Appendix. Any additional professional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.

- 12. **Delivery of Services.** Axon personnel will work Monday through Friday, 8:30 a.m. to 5:30 p.m., except holidays. Axon will perform all on-site tasks over a consecutive timeframe. Axon will not charge Customer travel time by Axon

personnel to Customer premises as work hours.

13. **Access Computer Systems to Perform Services.** Customer authorizes Axon to access relevant Customer computers and networks, solely for performing the Services. Axon will work to identify as soon as reasonably practicable resources and information Axon expects to use and will provide an initial itemized list to Customer. Customer is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Customer.
14. **Site Preparation.** Axon will provide a hardcopy or digital copy of current user documentation for the Axon Devices ("**User Documentation**"). User Documentation will include all required environmental specifications for the professional services and Axon Devices to operate per the Axon Device User Documentation. Before installation of Axon Devices (whether performed by Customer or Axon), Customer must prepare the location(s) where Axon Devices are to be installed ("**Installation Site**") per the environmental specifications in the Axon Device User Documentation. Following installation, Customer must maintain the Installation Site per the environmental specifications. If Axon modifies Axon Device User Documentation for any Axon Devices under this Agreement, Axon will provide the update to Customer when Axon generally releases it
15. **Acceptance.** When Axon completes professional services, Axon will present an acceptance form ("**Acceptance Form**") to Customer. Customer will sign the Acceptance Form acknowledging completion. If Customer reasonably believes Axon did not complete the professional services in substantial conformance with this Agreement, Customer must notify Axon in writing of the specific reasons for rejection within seven (7) calendar days from delivery of the Acceptance Form. Axon will address the issues and re-present the Acceptance Form for signature. If Axon does not receive the signed Acceptance Form or written notification of reasons for rejection within seven (7) calendar days of delivery of the Acceptance Form, Axon will deem Customer to have accepted the professional services.
16. **Customer Network.** For work performed by Axon transiting or making use of Customer's network, Customer is solely responsible for maintenance and functionality of the network. In no event will Axon be liable for loss, damage, or corruption of Customer's network from any cause.



Technology Assurance Plan Appendix

If Technology Assurance Plan ("TAP") or a bundle including TAP is on the Quote, this appendix applies.

1. **TAP Warranty.** The TAP warranty is an extended warranty that starts at the end of the one- (1-) year hardware limited warranty.
2. **Officer Safety Plan.** If Customer purchases an Officer Safety Plan ("OSP"), Customer will receive the deliverables detailed in the Quote. Customer must accept delivery of the TASER CEW and accessories as soon as available from Axon.
3. **OSP 7 or OSP 10 Term.** OSP 7 or OSP 10 begins on the date specified in the Quote ("**OSP Term**").
4. **TAP BWC Upgrade.** If Customer has no outstanding payment obligations and purchased TAP, Axon will provide Customer a new Axon body-worn camera ("**BWC Upgrade**") as scheduled in the Quote. If Customer purchased TAP, Axon will provide a BWC Upgrade that is the same or like Axon Device, at Axon's option. Axon makes no guarantee the BWC Upgrade will utilize the same accessories or Axon dock.
5. **TAP Dock Upgrade.** If Customer has no outstanding payment obligations and purchased TAP, Axon will provide Customer a new Axon Dock as scheduled in the Quote ("**Dock Upgrade**"). Accessories associated with any Dock Upgrades are subject to change at Axon discretion. Dock Upgrades will only include a new Axon dock bay configuration unless a new Axon dock core is required for BWC compatibility. If Customer originally purchased a single-bay Axon dock, the Dock Upgrade will be a single-bay Axon dock model that is the same or like Axon Device, at Axon's option. If Customer originally purchased a multi-bay Axon dock, the Dock Upgrade will be a multi-bay Axon dock that is the same or like Axon Device, at Axon's option.
6. **Upgrade Delay.** Axon may ship the BWC and Dock Upgrades as scheduled in the Quote without prior confirmation from Customer unless the Parties agree in writing otherwise at least ninety (90) days in advance. Axon may ship the final BWC and Dock Upgrade as scheduled in the Quote sixty (60) days before the end of the Subscription Term without prior confirmation from Customer.
7. **Upgrade Change.** If Customer wants to upgrade Axon Device models from the current Axon Device to an upgraded Axon Device, Customer must pay the price difference between the MSRP for the current Axon Device and the MSRP for the upgraded Axon Device. If the model Customer desires has an MSRP less than the MSRP of the offered BWC Upgrade or Dock Upgrade, Axon will not provide a refund. The MSRP is the MSRP in effect at the time of the upgrade.
8. **Return of Original Axon Device.** Within thirty (30) days of receiving a BWC or Dock Upgrade, Customer must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon including serial numbers for the destroyed Axon Devices. If Customer does not return or destroy the Axon Devices, Axon will deactivate the serial numbers for the Axon Devices received by Customer.
9. **Termination.** If Customer's payment for TAP, OSP, or Axon Evidence is more than thirty (30) days past due, Axon may terminate TAP or OSP. Once TAP or OSP terminates for any reason:
 - 9.1. TAP and OSP coverage terminate as of the date of termination and no refunds will be given.
 - 9.2. Axon will not and has no obligation to provide the Upgrade Models.
 - 9.3. Customer must make any missed payments due to the termination before Customer may purchase any future TAP or OSP.



TASER Device Appendix

This TASER Device Appendix applies to Customer’s TASER 7/10, OSP 7/10, OSP Plus, or OSP 7/10 Plus Premium purchase from Axon, if applicable.

- 1. Duty Cartridge Replenishment Plan. If the Quote includes "Duty Cartridge Replenishment Plan", Customer must purchase the plan for each CEW user. A CEW user includes officers that use a CEW in the line of duty and those that only use a CEW for training. Customer may not resell cartridges received. Axon will only replace cartridges used in the line of duty.
2. Training. If the Quote includes a TASER On Demand Certification subscription, Customer will have on-demand access to TASER Instructor and TASER Master Instructor courses only for the duration of the TASER Subscription Term. Axon will issue a maximum of ten (10) TASER Instructor vouchers and ten (10) TASER Master Instructor vouchers for every thousand TASER Subscriptions purchased. Customer shall utilize vouchers to register for TASER courses at their discretion however Customer may incur a fee for cancellations less than 10 business days prior to a course date or failure to appear to a registered course. The voucher has no cash value. Customer cannot exchange voucher for any other device or service. Any unused vouchers at the end of the Term will be forfeited. A voucher does not include any travel or other expenses that might be incurred related to attending a course.
3. Extended Warranty. If the Quote includes an extended warranty, the extended warranty coverage period warranty will be for a five- (5-) year term, which includes the hardware manufacturer’s warranty plus the four- (4-) year extended term.
4. Trade-in. If the Quote contains a discount on CEW-related line items and that discount is contingent upon the trade-in of hardware, Customer must return used hardware and accessories associated with the discount ("Trade-In Units") to Axon within the below prescribed timeline. Customer must ship batteries via ground shipping. Axon will pay shipping costs of the return. If Axon does not receive Trade-In Units within the timeframe below, Axon will invoice Customer the value of the trade-in credit. Customer may not destroy Trade-In Units and receive a trade-in credit.

Table with 2 columns: Customer Size, Days to Return from Start Date of TASER 10 Subscription. Rows include: Less than 100 officers (60 days), 100 to 499 officers (90 days), 500+ officers (180 days).

- 5. TASER Device Subscription Term. The TASER Device Subscription Term for a standalone TASER Device purchase begins on shipment of the TASER Device. The TASER Device Subscription Term for OSP 7/10 begins on the OSP 7/10 start date.
6. Access Rights. Upon Axon granting Customer a TASER Device Axon Evidence subscription, Customer may access and use Axon Evidence for the storage and management of data from TASER Devices devices during the TASER Device Subscription Term. Customer may not exceed the number of end users the Quote specifies.
7. Customer Warranty. If Customer is located in the US, Customer warrants and acknowledges that TASER 10 is classified as a firearm and is being acquired for official Customer use pursuant to a law enforcement Customer transfer under the Gun Control Act of 1968.
8. Purchase Order. To comply with applicable laws and regulations, Customer must provide a purchase order to Axon prior to shipment of TASER 10.
9. Apollo Grant (US only). If Customer has received an Apollo Grant from Axon, Customer must pay all fees in the Quote prior to upgrading to any new TASER Device offered by Axon.
10. Termination. If payment for TASER Device is more than thirty (30) days past due, Axon may terminate Customer’s TASER Device plan by notifying Customer. Upon termination for any reason, then as of the date of termination:
10.1. TASER Device extended warranties and access to Training Content will terminate. No refunds will be given.
10.2. Axon will invoice Customer the remaining MSRP for TASER Devices received before termination. If terminating for non-appropriations, Axon will not invoice Customer if Customer returns the TASER Device, rechargeable battery, holster, dock, core, training suits, and unused cartridges to Axon within thirty (30) days of the date of



termination.

10.3. Customer will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future TASER Device plan.



Axon Auto-Tagging Appendix

If Auto-Tagging is included on the Quote, this Appendix applies.

1. **Scope.** Axon Auto-Tagging consists of the development of a module to allow Axon Evidence to interact with Customer's Computer-Aided Dispatch ("**CAD**") or Records Management Systems ("**RMS**"). This allows end users to auto-populate Axon video meta-data with a case ID, category, and location-based on data maintained in Customer's CAD or RMS.
2. **Support.** For thirty (30) days after completing Auto-Tagging Services, Axon will provide up to five (5) hours of remote support at no additional charge. Axon will provide free support due to a change in Axon Evidence, if Customer maintains an Axon Evidence and Auto-Tagging subscription. Axon will not provide support if a change is required because Customer changes its CAD or RMS.
3. **Changes.** Axon is only responsible to perform the Services in this Appendix. Any additional Services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule.
4. **Customer Responsibilities.** Axon's performance of Auto-Tagging Services requires Customer to:
 - 4.1. Make available relevant systems, including Customer's current CAD or RMS, for assessment by Axon (including remote access if possible);
 - 4.2. Make required modifications, upgrades or alterations to Customer's hardware, facilities, systems and networks related to Axon's performance of Auto-Tagging Services;
 - 4.3. Provide access to the premises where Axon is performing Auto-Tagging Services, subject to Customer safety and security restrictions, and allow Axon to enter and exit the premises with laptops and materials needed to perform Auto-Tagging Services;
 - 4.4. Provide all infrastructure and software information (TCP/IP addresses, node names, network configuration) necessary for Axon to provide Auto-Tagging Services;
 - 4.5. Promptly install and implement any software updates provided by Axon;
 - 4.6. Ensure that all appropriate data backups are performed;
 - 4.7. Provide assistance, participation, and approvals in testing Auto-Tagging Services;
 - 4.8. Provide Axon with remote access to Customer's Axon Evidence account when required;
 - 4.9. Notify Axon of any network or machine maintenance that may impact the performance of the module at Customer; and
 - 4.10. Ensure reasonable availability of knowledgeable staff and personnel to provide timely, accurate, complete, and up-to-date documentation and information to Axon.
5. **Access to Systems.** Customer authorizes Axon to access Customer's relevant computers, network systems, and CAD or RMS solely for performing Auto-Tagging Services. Axon will work diligently to identify the resources and information Axon expects to use and will provide an initial list to Customer. Customer is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Customer.



Axon Fleet Appendix

If Axon Fleet is included on the Quote, this Appendix applies.

1. Customer Responsibilities.
 - 1.1. Customer must ensure its infrastructure and vehicles adhere to the minimum requirements to operate Axon Fleet 2 Axon Fleet 3 or a future Fleet iteration (collectively, "**Axon Fleet**") as established by Axon during the qualifier call and on-site assessment at Customer and in any technical qualifying questions. If Customer's representations are inaccurate, the Quote is subject to change.
 - 1.2. Customer is responsible for providing a suitable work area for Axon or Axon third-party providers to install Axon Fleet systems into Customer vehicles. Customer is responsible for making available all vehicles for which installation services were purchased, during the agreed upon onsite installation dates, Failure to make vehicles available may require an equitable adjustment in fees or schedule.
2. **Cradlepoint**. If Customer purchases Cradlepoint Enterprise Cloud Manager, Customer will comply with Cradlepoint's end user license agreement. The term of the Cradlepoint license may differ from the Axon Evidence Subscription. If Customer requires Cradlepoint support, Customer will contact Cradlepoint directly.
3. **Third-party Installer**. Axon will not be liable for the failure of Axon Fleet hardware to operate per specifications if such failure results from installation not performed by, or as directed by Axon.
4. Wireless Offload Server.
 - 4.1. **License Grant**. Axon grants Customer a non-exclusive, royalty-free, worldwide, perpetual license to use Wireless Offload Server ("**WOS**"). "Use" means storing, loading, installing, or executing WOS solely for data communication with Axon Devices for the number of licenses purchased. The WOS term begins upon the start of the Axon Evidence Subscription.
 - 4.2. **Restrictions**. Customer may not: (a) modify, alter, tamper with, repair, or create derivative works of WOS; (b) reverse engineer, disassemble, or decompile WOS, apply any process to derive the source code of WOS, or allow others to do so; (c) access or use WOS to avoid incurring fees or exceeding usage limits; (d) copy WOS in whole or part; (e) use trade secret information contained in WOS; (f) resell, rent, loan or sublicense WOS; (g) access WOS to build a competitive device or service or copy any features, functions or graphics of WOS; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within WOS.
 - 4.3. **Updates**. If Customer purchases WOS maintenance, Axon will make updates and error corrections to WOS ("**WOS Updates**") available electronically via the Internet or media as determined by Axon. Customer is responsible for establishing and maintaining adequate Internet access to receive WOS Updates and maintaining computer equipment necessary for use of WOS. The Quote will detail the maintenance term.
 - 4.4. **WOS Support**. Upon request by Axon, Customer will provide Axon with access to Customer's store and forward servers solely for troubleshooting and maintenance.
5. Axon Vehicle Software.
 - 5.1. **License Grant**. Axon grants Customer a non-exclusive, royalty-free, worldwide, perpetual license to use ViewXL or Dashboard (collectively, "**Axon Vehicle Software**".) "Use" means storing, loading, installing, or executing Axon Vehicle Software solely for data communication with Axon Devices. The Axon Vehicle Software term begins upon the start of the Axon Evidence Subscription.
 - 5.2. **Restrictions**. Customer may not: (a) modify, alter, tamper with, repair, or create derivative works of Axon Vehicle Software; (b) reverse engineer, disassemble, or decompile Axon Vehicle Software, apply any process to derive the source code of Axon Vehicle Software, or allow others to do so; (c) access or use Axon Vehicle Software to avoid incurring fees or exceeding usage limits; (d) copy Axon Vehicle Software in whole or part; (e) use trade secret information contained in Axon Vehicle Software; (f) resell, rent, loan or sublicense Axon Vehicle Software; (g) access Axon Vehicle Software to build a competitive device or service or copy any features, functions or graphics of Axon Vehicle Software; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Axon Vehicle Software.



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6. **Acceptance Checklist.** If Axon provides services to Customer pursuant to any statement of work in connection with Axon Fleet, within seven (7) days of the date on which Customer retrieves Customer's vehicle(s) from the Axon installer, said vehicle having been installed and configured with tested and fully and properly operational in-car hardware and software identified above, Customer will receive a Professional Services Acceptance Checklist to submit to Axon indicating acceptance or denial of said deliverables.
7. **Axon Fleet Upgrade.** If Customer has no outstanding payment obligations and has purchased the "Fleet Technology Assurance Plan" (Fleet TAP), Axon will provide Customer with the same or like model of Fleet hardware ("**Axon Fleet Upgrade**") as scheduled on the Quote.
 - 7.1. If Customer would like to change models for the Axon Fleet Upgrade, Customer must pay the difference between the MSRP for the offered Axon Fleet Upgrade and the MSRP for the model desired. The MSRP is the MSRP in effect at the time of the upgrade. Customer is responsible for the removal of previously installed hardware and installation of the Axon Fleet Upgrade.
 - 7.2. Within thirty (30) days of receiving the Axon Fleet Upgrade, Customer must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon, including serial numbers of the destroyed Axon Devices. If Customer does not destroy or return the Axon Devices to Axon, Axon will deactivate the serial numbers for the Axon Devices received by Customer.
8. **Axon Fleet Termination.** Axon may terminate Customer's Fleet subscription for non-payment. Upon any termination:
 - 8.1. Axon Fleet subscription coverage terminates, and no refunds will be given.
 - 8.2. Axon will not and has no obligation to provide the Axon Fleet Upgrade.
 - 8.3. Customer will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future Fleet TAP.



Axon Respond Appendix

This Axon Respond Appendix applies to both Axon Respond and Axon Respond Plus, if either is included on the Quote.

1. **Axon Respond Subscription Term.** If Customer purchases Axon Respond as part of a bundled offering, the Axon Respond subscription begins on the later of the (1) start date of that bundled offering, or (2) date Axon provisions Axon Respond to Customer. If Customer purchases Axon Respond as a standalone, the Axon Respond subscription begins the later of the (1) date Axon provisions Axon Respond to Customer, or (2) first day of the month following the Effective Date. The Axon Respond subscription term will end upon the completion of the Axon Evidence Subscription associated with Axon Respond.
2. **Scope of Axon Respond.** The scope of Axon Respond is to assist Customer with real-time situational awareness during critical incidents to improve officer safety, effectiveness, and awareness. In the event Customer uses Axon Respond outside this scope, Axon may initiate good-faith discussions with Customer on upgrading Customer's Axon Respond to better meet Customer's needs.
3. **Axon Body LTE Requirements.** Axon Respond is only available and usable with an LTE enabled body-worn camera. Axon is not liable if Customer utilizes the LTE device outside of the coverage area or if the LTE carrier is unavailable. LTE coverage is only available in the United States, including any U.S. territories. Axon may utilize a carrier of Axon's choice to provide LTE service. Axon may change LTE carriers during the Term without Customer's consent.
4. **Axon Fleet LTE Requirements.** Axon Respond is only available and usable with a Fleet system configured with LTE modem and service. Customer is responsible for providing LTE service for the modem. Coverage and availability of LTE service is subject to Customer's LTE carrier.
5. **Axon Respond Service Limitations.** Customer acknowledges that LTE service is made available only within the operating range of the networks. Service may be temporarily refused, interrupted, or limited because of: (a) facilities limitations; (b) transmission limitations caused by atmospheric, terrain, other natural or artificial conditions adversely affecting transmission, weak batteries, system overcapacity, movement outside a service area or gaps in coverage in a service area, and other causes reasonably outside of the carrier's control such as intentional or negligent acts of third parties that damage or impair the network or disrupt service; or (c) equipment modifications, upgrades, relocations, repairs, and other similar activities necessary for the proper or improved operation of service.
 - 5.1. **With regard to Axon Body, Partner networks are made available as-is and the carrier makes no warranties or representations as to the availability or quality of roaming service provided by carrier partners, and the carrier will not be liable in any capacity for any errors, outages, or failures of carrier partner networks. Customer expressly understands and agrees that it has no contractual relationship whatsoever with the underlying wireless service provider or its affiliates or contractors and Customer is not a third-party beneficiary of any agreement between Axon and the underlying carrier.**
6. **Termination.** Upon termination of this Agreement, or if Customer stops paying for Axon Respond or bundles that include Axon Respond, Axon will end Axon Respond services, including any Axon-provided LTE service.



Add-on Services Appendix

This Appendix applies if Axon Community Request, Axon Redaction Assistant, and/or Axon Performance are included on the Quote.

1. **Subscription Term.** If Customer purchases Axon Community Request, Axon Redaction Assistant, or Axon Performance as part of OSP 7 or OSP 10, the subscription begins on the later of the (1) start date of the OSP 7 or OSP 10 Term, or (2) date Axon provisions Axon Community Request Axon Redaction Assistant, or Axon Performance to Customer.
 - 1.1. If Customer purchases Axon Community Request, Axon Redaction Assistant, or Axon Performance as a standalone, the subscription begins the later of the (1) date Axon provisions Axon Community Request, Axon Redaction Assistant, or Axon Performance to Customer, or (2) first day of the month following the Effective Date.
 - 1.2. The subscription term will end upon the completion of the Axon Evidence Subscription associated with the add-on.
2. **Axon Community Request Storage.** For Axon Community Request, Customer may store an unlimited amount of data submitted through the public portal ("**Portal Content**"), within Customer's Axon Evidence instance. The post-termination provisions outlined in the Axon Cloud Services Terms of Use Appendix also apply to Portal Content.
3. **Performance Auto-Tagging Data.** In order to provide some features of Axon Performance to Customer, Axon will need to store call for service data from Customer's CAD or RMS.



Axon Auto-Transcribe Appendix

This Appendix applies if Axon Auto-Transcribe is included on the Quote.

1. **Subscription Term.** If Customer purchases Axon Auto-Transcribe as part of a bundle or Axon Cloud Services subscription, the subscription begins on the later of the (1) start date of the bundle or Axon Cloud Services license term, or (2) date Axon provisions Axon Auto-Transcribe to Customer. If Customer purchases Axon Auto-Transcribe minutes as a standalone, the subscription begins on the date Axon provisions Axon Auto-Transcribe to Customer.
 - 1.1. If Customer cancels Auto-Transcribe services, any amounts owed by the Parties will be based on the amount of time passed under the annual subscription, rather than on the number of minutes used, regardless of usage.
2. **Auto-Transcribe A-La-Carte Minutes.** Upon Axon granting Customer a set number of minutes, Customer may utilize Axon Auto-Transcribe, subject to the number of minutes allowed on the Quote. Customer will not have the ability to roll over unused minutes to future Auto-Transcribe terms. Axon may charge Customer additional fees for exceeding the number of purchased minutes. Axon Auto-Transcribe minutes expire one year after being provisioned to Customer by Axon.
3. **Axon Unlimited Transcribe.** Upon Axon granting Customer an Unlimited Transcribe subscription to Axon Auto-Transcribe, Customer may utilize Axon Auto-Transcribe with no limit on the number of minutes. Unlimited Transcribe includes automatic transcription of all Axon BWC and Axon Capture footage. With regard to Axon Interview Room, Axon Fleet, Axon Citizen, or third-party transcription, transcription must be requested on demand. Notwithstanding the foregoing, Axon may limit usage after 5,000 minutes per user per month for multiple months in a row. Axon will not bill for overages.
4. **Warranty.** Axon disclaims all warranties, express or implied, for Axon Auto-Transcribe.



Axon Virtual Reality Content Terms of Use Appendix

If Virtual Reality is included on the Quote, this Appendix applies.

1. **Term.** The Quote will detail the products and license duration, as applicable, of the goods, services, and software, and contents thereof, provided by Axon to Customer related to virtual reality (collectively, "**Virtual Reality Media**").
2. **Headsets.** Customer may purchase additional virtual reality headsets from Axon. In the event Customer decides to purchase additional virtual reality headsets for use with Virtual Reality Media, Customer must purchase those headsets from Axon.
3. **License Restrictions.** All licenses will immediately terminate if Customer does not comply with any term of this Agreement. If Customer utilizes more users than stated in this Agreement, Customer must purchase additional Virtual Reality Media licenses from Axon. Customer may not use Virtual Reality Media for any purpose other than as expressly permitted by this Agreement. Customer may not:
 - 3.1. modify, tamper with, repair, or otherwise create derivative works of Virtual Reality Media;
 - 3.2. reverse engineer, disassemble, or decompile Virtual Reality Media or apply any process to derive the source code of Virtual Reality Media, or allow others to do the same;
 - 3.3. copy Virtual Reality Media in whole or part, except as expressly permitted in this Agreement;
 - 3.4. use trade secret information contained in Virtual Reality Media;
 - 3.5. resell, rent, loan or sublicense Virtual Reality Media;
 - 3.6. access Virtual Reality Media to build a competitive device or service or copy any features, functions, or graphics of Virtual Reality Media; or
 - 3.7. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Virtual Reality Media or any copies of Virtual Reality Media.
4. **Privacy.** Customer's use of the Virtual Reality Media is subject to the Axon Virtual Reality Privacy Policy, a current version of which is available at <https://www.axon.com/axonvrprivacypolicy>.
5. **Termination.** Axon may terminate Customer's license immediately for Customer's failure to comply with any of the terms in this Agreement.



Axon Evidence Local Software Appendix

This Appendix applies if Axon Evidence Local is included on the Quote.

1. **License.** Axon owns all executable instructions, images, icons, sound, and text in Axon Evidence Local. All rights are reserved to Axon. Axon grants a non-exclusive, royalty-free, worldwide right and license to use Axon Evidence Local. "Use" means storing, loading, installing, or executing Axon Evidence Local exclusively for data communication with an Axon Device. Customer may use Axon Evidence Local in a networked environment on computers other than the computer it installs Axon Evidence Local on, so long as each execution of Axon Evidence Local is for data communication with an Axon Device. Customer may make copies of Axon Evidence Local for archival purposes only. Axon shall retain all copyright, trademark, and proprietary notices in Axon Evidence Local on all copies or adaptations.
2. **Term.** The Quote will detail the duration of the Axon Evidence Local license, as well as any maintenance. The term will begin upon installation of Axon Evidence Local.
3. **License Restrictions.** All licenses will immediately terminate if Customer does not comply with any term of this Agreement. Customer may not use Axon Evidence Local for any purpose other than as expressly permitted by this Agreement. Customer may not:
 - 3.1. modify, tamper with, repair, or otherwise create derivative works of Axon Evidence Local;
 - 3.2. reverse engineer, disassemble, or decompile Axon Evidence Local or apply any process to derive the source code of Axon Evidence Local, or allow others to do the same;
 - 3.3. access or use Axon Evidence Local to avoid incurring fees or exceeding usage limits or quotas;
 - 3.4. copy Axon Evidence Local in whole or part, except as expressly permitted in this Agreement;
 - 3.5. use trade secret information contained in Axon Evidence Local;
 - 3.6. resell, rent, loan or sublicense Axon Evidence Local;
 - 3.7. access Axon Evidence Local to build a competitive device or service or copy any features, functions, or graphics of Axon Evidence Local; or
 - 3.8. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Axon Evidence Local or any copies of Axon Evidence Local.
4. **Support.** Axon may make available updates and error corrections ("**Updates**") to Axon Evidence Local. Axon will provide Updates electronically via the Internet or media as determined by Axon. Customer is responsible for establishing and maintaining adequate access to the Internet to receive Updates. Customer is responsible for maintaining the computer equipment necessary to use Axon Evidence Local. Axon may provide technical support of a prior release/version of Axon Evidence Local for six (6) months from when Axon made the subsequent release/version available.
5. **Termination.** Axon may terminate Customer's license immediately for Customer's failure to comply with any of the terms in this Agreement. Upon termination, Axon may disable Customer's right to login to Axon Evidence Local.



Axon Application Programming Interface Appendix

This Appendix applies if Axon's API Services or a subscription to Axon Cloud Services is included on the Quote.

1. **Definitions.**

- 1.1. **"API Client"** means the software that acts as the interface between Customer's computer and the server, which is already developed or to be developed by Customer.
- 1.2. **"API Interface"** means software implemented by Customer to configure Customer's independent API Client Software to operate in conjunction with the API Service for Customer's authorized Use.
- 1.3. **"Axon Evidence Partner API, API or Axon API"** (collectively **"API Service"**) means Axon's API which provides a programmatic means to access data in Customer's Axon Evidence account or integrate Customer's Axon Evidence account with other systems.
- 1.4. **"Use"** means any operation on Customer's data enabled by the supported API functionality.

2. **Purpose and License.**

- 2.1. Customer may use API Service and data made available through API Service, in connection with an API Client developed by Customer. Axon may monitor Customer's use of API Service to ensure quality, improve Axon devices and services, and verify compliance with this Agreement. Customer agrees to not interfere with such monitoring or obscure from Axon Customer's use of API Service. Customer will not use API Service for commercial use.
- 2.2. Axon grants Customer a non-exclusive, non-transferable, non-sublicensable, worldwide, revocable right and license during the Term to use API Service, solely for Customer's Use in connection with Customer's API Client.
- 2.3. Axon reserves the right to set limitations on Customer's use of the API Service, such as a quota on operations, to ensure stability and availability of Axon's API. Axon will use reasonable efforts to accommodate use beyond the designated limits.

3. **Configuration.** Customer will work independently to configure Customer's API Client with API Service for Customer's applicable Use. Customer will be required to provide certain information (such as identification or contact details) as part of the registration. Registration information provided to Axon must be accurate. Customer will inform Axon promptly of any updates. Upon Customer's registration, Axon will provide documentation outlining API Service information.

4. **Customer Responsibilities.** When using API Service, Customer and its end users may not:

- 4.1. use API Service in any way other than as expressly permitted under this Agreement;
- 4.2. use in any way that results in, or could result in, any security breach to Axon;
- 4.3. perform an action with the intent of introducing any viruses, worms, defect, Trojan horses, malware, or any items of a destructive nature to Axon Devices and Services;
- 4.4. interfere with, modify, disrupt or disable features or functionality of API Service or the servers or networks providing API Service;
- 4.5. reverse engineer, decompile, disassemble, or translate or attempt to extract the source code from API Service or any related software;
- 4.6. create an API Interface that functions substantially the same as API Service and offer it for use by third parties;
- 4.7. provide use of API Service on a service bureau, rental or managed services basis or permit other individuals or entities to create links to API Service;
- 4.8. frame or mirror API Service on any other server, or wireless or Internet-based device;
- 4.9. make available to a third-party, any token, key, password or other login credentials to API Service;
- 4.10. take any action or inaction resulting in illegal, unauthorized or improper purposes; or
- 4.11. disclose Axon's API manual.

5. **API Content.** All content related to API Service, other than Customer Content or Customer's API Client content, is considered Axon's API Content, including:



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- 5.1. the design, structure and naming of API Service fields in all responses and requests;
 - 5.2. the resources available within API Service for which Customer takes actions on, such as evidence, cases, users, or reports;
 - 5.3. the structure of and relationship of API Service resources; and
 - 5.4. the design of API Service, in any part or as a whole.
6. **Prohibitions on API Content**. Neither Customer nor its end users will use API content returned from the API Interface to:
- 6.1. scrape, build databases, or otherwise create permanent copies of such content, or keep cached copies longer than permitted by the cache header;
 - 6.2. copy, translate, modify, create a derivative work of, sell, lease, lend, convey, distribute, publicly display, or sublicense to any third-party;
 - 6.3. misrepresent the source or ownership; or
 - 6.4. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices).
7. **API Updates**. Axon may update or modify the API Service from time to time ("**API Update**"). Customer is required to implement and use the most current version of API Service and to make any applicable changes to Customer's API Client required as a result of such API Update. API Updates may adversely affect how Customer's API Client access or communicate with API Service or the API Interface. Each API Client must contain means for Customer to update API Client to the most current version of API Service. Axon will provide support for one (1) year following the release of an API Update for all depreciated API Service versions.



Advanced User Management Appendix

This Appendix applies if Axon Advanced User Management is included on the Quote.

1. **Scope.** Advanced User Management allows Customer to (a) utilize bulk user creation and management, (b) automate user creation and management through System for Cross-domain Identity Management ("**SCIM**"), and (c) automate group creation and management through SCIM.
2. **Advanced User Management Configuration.** Customer will work independently to configure Customer's Advanced User Management for Customer's applicable Use. Upon request, Axon will provide general guidance to Customer, including documentation that details the setup and configuration process.



FUSUS APPENDIX

- 1. **Access.** Upon Axon granting Customer a subscription to FUSUS cloud services in the Quote, Customer may access and use FūsusONE Real Time Interoperability Solution services to for the purpose of viewing and managing Customer Content. Some Customer content contained in Axon’s Evidence.com may not be accessible or transferable to the FUSUS cloud services.
- 2. **Product Limits.** The following limitations apply to the below products:

	Lite	Basic	Pro	Enterprise	Enterprise Plus
Total Number of Managed End Points	150	150	500	1500	4500
Max Number of Video Streams Connected	0	150	500	1500	4500
Indefinite Cloud Storage		2TB	5TB	10TB	30TB

Overages may result in additional fees or the need to upgrade products.

- 3. **Disclaimer.** Customer is responsible for use of any internet access devices and/or all third-party hardware, software, services, telecommunication services (including Internet connectivity), or other items used by Customer to access the service (“Third-Party Components”) are the sole and exclusive responsibility of Customer, and Axon has no responsibility for such Third-party Components, FUSUS cloud services, or Customer relationships with such third parties. Customer agrees to at all times comply with the lawful terms and conditions of agreements with such third parties. Axon does not represent or warrant that the FUSUS cloud services and the Customer Content are compatible with any specific third-party hardware or software or any other Third-Party Components. Customer is responsible for providing and maintaining an operating environment as reasonably necessary to accommodate and access the FUSUS cloud services.
- 4. **Data Privacy.** Axon may collect, use, transfer, disclose and otherwise process Customer Content in the context of facilitating communication of data with Customer through their use of FUSUS cloud services FUSUS app (iOS or Android interface), complying with legal requirements, monitoring the Customer’s use of FUSUS systems, and undertaking data analytics. Customer Content saved in Axon Cloud Services is the sole property of Customer and may not be distributed by Axon to any third parties outside of the Customer’s organization without the Customer’s expressed written consent.



Axon Channel Services Appendix

This Appendix applies if Customer purchases Axon Channel Service, as set forth on the Quote.

1. Definitions.
 - 1.1. **"Axon Digital Evidence Management System"** means Axon Evidence or Axon Evidence Local, as specified in the attached Channel Services Statement of Work.
 - 1.2. **"Active Channel"** means a third-party system that is continuously communicating with an Axon Digital Evidence Management System.
 - 1.3. **"Inactive Channel"** means a third-party system that will have a one-time communication to an Axon Digital Evidence Management System.
2. **Scope.** Customer currently has a third-party system or data repository from which Customer desires to share data with Axon Digital Evidence Management. Axon will facilitate the transfer of Customer's third-party data into an Axon Digital Evidence Management System or the transfer of Customer data out of an Axon Digital Evidence Management System as defined in the Channel Services Statement of Work ("**Channel Services SOW**"). Channel Services will not delete any Customer Content. Customer is responsible for verifying all necessary data is migrated correctly and retained per Customer policy.
3. **Changes.** Axon is only responsible to perform the Services described in this Appendix and Channel Services SOW. Any additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.
4. **Purpose and Use.** Customer is responsible for verifying Customer has the right to share data from and provide access to third-party system as it relates to the Services described in this Appendix and the Channel Services SOW. For Active Channels, Customer is responsible for any changes to a third-party system that may affect the functionality of the channel service. Any additional work required for the continuation of the Service may require additional fees. An Axon Field Engineer may require access to Customer's network and systems to perform the Services described in the Channel Services SOW. Customer is responsible for facilitating this access per all laws and policies applicable to Customer.
5. **Project Management.** Axon will assign a Project Manager to work closely with Customer's project manager and project team members and will be responsible for completing the tasks required to meet all contract deliverables on time and budget.
6. **Warranty.** Axon warrants that it will perform the Channel Services in a good and workmanlike manner.
7. **Monitoring.** Axon may monitor Customer's use of Channel Services to ensure quality, improve Axon devices and services, prepare invoices based on the total amount of data migrated, and verify compliance with this Agreement. Customer agrees not to interfere with such monitoring or obscure from Axon Customer's use of channel services.
8. **Customer's Responsibilities.** Axon's successful performance of the Channel Services requires Customer:
 - 8.1. Make available its relevant systems for assessment by Axon (including making these systems available to Axon via remote access);
 - 8.2. Provide access to the building facilities and where Axon is to perform the Channel Services, subject to safety and security restrictions imposed by the Customer (including providing security passes or other necessary documentation to Axon representatives performing the Channel Services permitting them to enter and exit Customer premises with laptop personal computers and any other materials needed to perform the Channel Services);
 - 8.3. Provide all necessary infrastructure and software information (TCP/IP addresses, node names, and network configuration) for Axon to provide the Channel Services;
 - 8.4. Ensure all appropriate data backups are performed;
 - 8.5. Provide Axon with remote access to the Customer's network and third-party systems when required for Axon to perform the Channel Services;
 - 8.6. Notify Axon of any network or machine maintenance that may impact the performance of the Channel Services; and
 - 8.7. Ensure the reasonable availability by phone or email of knowledgeable staff, personnel, system administrators,



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and operators to provide timely, accurate, complete, and up-to-date documentation and information to Axon (these contacts are to provide background information and clarification of information required to perform the Channel Services).

VIEVU Data Migration Appendix

This Appendix applies if Customer purchases Migration services, as set forth on the Quote.

1. **Scope.** Customer currently has legacy data in the VIEVU solution from which Customer desires to move to Axon Evidence. Axon will work with Customer to copy legacy data from the VIEVU solution into Axon Evidence ("Migration"). Before Migration, Customer and Axon will work together to develop a Statement of Work ("Migration SOW") to detail all deliverables and responsibilities. The Migration will require the availability of Customer resources. Such resources will be identified in the SOW. On-site support during Migration is not required. Upon Customer's request, Axon will provide on-site support for an additional fee. Any request for on-site support will need to be pre-scheduled and is subject to Axon's resource availability.
 - 1.1. A small amount of unexposed data related to system information will not be migrated from the VIEVU solution to Axon Evidence. Upon request, some of this data can be manually exported before Migration and provided to Customer. The Migration SOW will provide further detail.
2. **Changes.** Axon is only responsible to perform the Services described in this Appendix and Migration SOW. Any additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.
3. **Project Management.** Axon will assign a Project Manager to work closely with Customer's project manager and project team members and will be responsible for completing the tasks required to meet all contract deliverables on time and budget.
4. **Downtime.** There may be downtime during the Migration. The duration of the downtime will depend on the amount of data that Customer is migrating. Axon will work with Customer to minimize any downtime. Any VIEVU mobile application will need to be disabled upon Migration.
5. **Functionality Changes.** Due to device differences between the VIEVU solution and the Axon's Axon Evidence solution, there may be functionality gaps that will not allow for all migrated data to be displayed the same way in the user interface after Migration.
6. **Acceptance.** Once the Migration is complete, Axon will notify Customer and provide an acceptance form. Customer is responsible for verifying that the scope of the project has been completed and all necessary data is migrated correctly and retained per Customer policy. Customer will have ninety (90) days to provide Axon acceptance that the Migration was successful, or Axon will deem the Migration accepted.
 - 6.1. In the event Customer does not accept the Migration, Customer agrees to notify Axon within a reasonable time. Customer also agrees to allow Axon a reasonable time to resolve any issue. In the event Customer does not provide Axon with a written rejection of the Migration during these ninety (90) days, Customer may be charged for additional monthly storage costs. After Customer provides acceptance of the Migration, Axon will delete all data from the VIEVU solution ninety (90) days after the Migration.
7. **Post-Migration.** After Migration, the VIEVU solution may not be supported and updates may not be provided. Axon may end of life the VIEVU solution in the future. If Customer elects to maintain data within the VIEVU solution, Axon will provide Customer ninety (90) days' notice before ending support for the VIEVU solution.
8. **Warranty.** Axon warrants that it will perform the Migration in a good and workmanlike manner.
9. **Monitoring.** Axon may monitor Customer's use of Migration to ensure quality, improve Axon Devices and Services, prepare invoices based on the total amount of data migrated, and verify compliance with this Agreement. Customer agrees not to interfere with such monitoring or obscure Customer's use of Migration from Axon.

10.

Axon Technical Account Manager Appendix

This Appendix applies if Axon Support Engineer services are included on the Quote.

1. **Axon Technical Account Manager Payment.** Axon will invoice for Axon Technical Account Manager ("TAM") services, as outlined in the Quote, when the TAM commences work on-site at Customer.

2. **Full-Time TAM Scope of Services.**

- 2.1. A Full-Time TAM will work on-site four (4) days per week, unless an alternate schedule or reporting location is mutually agreed upon by Axon and Customer.
- 2.2. Customer's Axon sales representative and Axon's Customer Success team will work with Customer to define its support needs and ensure the Full-Time TAM has skills to align with those needs. There may be up to a six- (6-) month waiting period before the Full-Time TAM can work on-site, depending upon Customer's needs and availability of a Full-Time TAM.
- 2.3. The purchase of Full-Time TAM Services includes two (2) complimentary Axon Accelerate tickets per year of the Agreement, so long as the TAM has started work at Customer, and Customer is current on all payments for the Full-Time TAM Service.
- 2.4. The Full-Time TAM **Service options are listed below:**

<p>Ongoing System Set-up and Configuration Assisting with assigning cameras and registering docks Maintaining Customer's Axon Evidence account Connecting Customer to "Early Access" programs for new devices</p>
<p>Account Maintenance Conducting on-site training on new features and devices for Customer leadership team(s) Thoroughly documenting issues and workflows and suggesting new workflows to improve the effectiveness of the Axon program Conducting weekly meetings to cover current issues and program status</p>
<p>Data Analysis Providing on-demand Axon usage data to identify trends and insights for improving daily workflows Comparing Customer's Axon usage and trends to peers to establish best practices Proactively monitoring the health of Axon equipment and coordinating returns when needed</p>
<p>Direct Support Providing on-site, Tier 1 and Tier 2 (as defined in Axon's Service Level Agreement) technical support for Axon Devices Proactively monitoring the health of Axon equipment Creating and monitoring RMAs on-site Providing Axon app support Monitoring and testing new firmware and workflows before they are released to Customer's production environment</p>
<p>Customer Advocacy Coordinating bi-annual voice of customer meetings with Axon's Device Management team Recording and tracking Customer feature requests and major bugs</p>

3. **Regional TAM Scope of Services**

- 3.1. A Regional TAM will work on-site for three (3) consecutive days per quarter. Customer must schedule the on-site days at least two (2) weeks in advance. The Regional TAM will also be available by phone and email during regular business hours up to eight (8) hours per week.
- 3.2. There may be up to a six- (6-) month waiting period before Axon assigns a Regional TAM to Customer, depending upon the availability of a Regional TAM.
- 3.3. The purchase of Regional TAM Services includes two (2) complimentary Axon Accelerate tickets per year of the Agreement, so long as the TAM has started work at Customer and Customer is current on all payments for the Regional TAM Service.
- 3.4. The Regional TAM service options are listed below:

Account Maintenance

Conducting remote training on new features and **devices for Customer’s leadership**
Thoroughly documenting issues and workflows and suggesting new **workflows to improve the effectiveness of the Axon program**
Conducting weekly conference calls to cover **current issues and program status**
Visiting Customer quarterly (up to 3 consecutive days) to perform a quarterly business review, discuss Customer's goals for your Axon program, and continue to ensure a successful deployment of Axon Devices

Direct Support

Providing remote, Tier 1 and Tier 2 (As defined Axon's Service Level Agreement) technical support for Axon Devices
Creating and monitoring RMAs remotely

Data Analysis

Providing quarterly Axon **usage data to identify trends and program efficiency opportunities**
Comparing an **Customer's Axon usage and trends to peers to establish best practices**
Proactively monitoring the health of Axon equipment and coordinating returns when needed

Customer Advocacy

Coordinating bi-yearly Voice of **Customer meetings with Device Management team**
Recording and tracking Customer feature requests and major bugs

4. **Out of Scope Services.** The TAM is responsible to perform only the Services described in this Appendix. Any additional Services discussed or implied that are not defined explicitly in this Appendix will be considered out of the scope.
5. **TAM Leave Time.** The TAM will be allowed up seven (7) days of sick leave and up to fifteen (15) days of vacation time per each calendar year. The TAM will work with Customer to coordinate any time off and will provide Customer with at least two (2) weeks' notice before utilizing any vacation days.



Axon Investigate Appendix

If the Quote includes Axon's On Prem Video Suite known as Axon Investigate or Third Party Video Support License, the following appendix shall apply.

- License Grant.** Subject to the terms and conditions specified below and upon payment of the applicable fees set forth in the Quote, Axon grants to Customer a nonexclusive, nontransferable license to install, use, and display the Axon Investigate software ("**Software**") solely for its own internal use only and for no other purpose, for the duration of subscription term set forth in the Quote. This Agreement does not grant Customer any right to enhancements or updates, but if such are made available to Customer and obtained by Customer they shall become part of the Software and governed by the terms of this Agreement.
- Third-Party Licenses.** Axon licenses several third-party codecs and applications that are integrated into the Software. Users with an active support contract with Axon are granted access to these additional features. By accepting this agreement, Customer agrees to and understands that an active support contract is required for all of the following features: DNxHD output formats, decoding files via the "fast indexing" method, proprietary file metadata, telephone and email support, and all future updates to the software. If Customer terminates the annual support contract with Axon, the features listed above will be disabled within the Software. It is recommended that users remain on an active support contract to maintain the full functionality of the Software.
- Restrictions on Use.** Customer may not permit any other person to use the Software unless such use is in accordance with the terms of this Agreement. Customer may not modify, translate, reverse engineer, reverse compile, decompile, disassemble or create derivative works with respect to the Software, except to the extent applicable laws specifically prohibit such restrictions. Customer may not rent, lease, sublicense, grant a security interest in or otherwise transfer Customer's rights to or to use the Software. Any rights not granted are reserved to Axon.
- Term.** For purchased perpetual Licenses only—excluding Licenses leased for a pre-determined period, evaluation licenses, companion licenses, as well as temporary licenses--the license shall be perpetual unless Customer fails to observe any of its terms, in which case it shall terminate immediately, and without additional prior notice. The terms of Paragraphs 1, 2, 3, 5, 6, 8 and 9 shall survive termination of this Agreement. For licenses leased for a pre-determined period, for evaluation licenses, companion licenses, as well as temporary licenses, the license is granted for a period beginning at the installation date and for the duration of the evaluation period or temporary period as agreed between Axon and Customer.
- Title.** Axon and its licensors shall have sole and exclusive ownership of all right, title, and interest in and to the Software and all changes, modifications, and enhancements thereof (including ownership of all trade secrets and copyrights pertaining thereto), regardless of the form or media in which the original or copies may exist, subject only to the rights and privileges expressly granted by Axon. This Agreement does not provide Customer with title or ownership of the Software, but only a right of limited use.
- Copies.** The Software is copyrighted under the laws of the United States and international treaty provisions. Customer may not copy the Software except for backup or archival purposes, and all such copies shall contain all Axon's notices regarding proprietary rights as contained in the Software as originally provided to Customer. If Customer receives one copy electronically and another copy on media, the copy on media may be used only for archival purposes and this license does not authorize Customer to use the copy of media on an additional server.
- Actions Required Upon Termination.** Upon termination of the license associated with this Agreement, Customer agrees to destroy all copies of the Software and other text and/or graphical documentation, whether in electronic or printed format, that describe the features, functions and operation of the Software that are provided by Axon to Customer ("**Software Documentation**") or return such copies to Axon. Regarding any copies of media containing regular backups of Customer's computer or computer system, Customer agrees not to access such media for the purpose of recovering the Software or online Software Documentation.
- Export Controls.** None of the Software, Software Documentation or underlying information may be downloaded or otherwise exported, directly or indirectly, without the prior written consent, if required, of the office of Export Administration of the United States, Department of Commerce, nor to any country to which the U.S. has embargoed goods, to any person on the U.S. Treasury Department's list of Specially Designated Nations, or the U.S. Department of Commerce's Table of Denials.
- U.S. Government Restricted Rights.** The Software and Software Documentation are Commercial Computer Software provided with Restricted Rights under Federal Acquisition Regulations and Customer supplements to them. Use, duplication or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFAR 255.227-7013 et. Seq. or 252.211-7015, or



Master Services and Purchasing Agreement for Customer

subparagraphs (a) through (d) of the Commercial Computer Software Restricted Rights at FAR 52.227-19, as applicable, or similar clauses in the NASA FAR Supplement. Contractor/manufacturer is Axon Enterprise, Inc., 17800 North 85th Street, Scottsdale, Arizona 85255.

My90 Terms of Use Appendix

Definitions.

- 1.1. **"My90"** means Axon's proprietary platform and methodology to obtain and analyze feedback, and other related offerings, including, without limitation, interactions between My90 and Axon products.
- 1.2. **"Recipient Contact Information"** means contact information, as applicable, including phone number or email address (if available) of the individual whom Customer would like to obtain feedback.
- 1.3. **"Customer Data"** means
 - 1.3.1. "My90 Customer Content" which means data, including Recipient Contact Information, provided to My90 directly by Customer or at their direction, or by permitting My90 to access or connect to an information system or similar technology. My90 Customer Content does not include My90 Non-Content Data.
 - 1.3.2. "My90 Non-Content Data" which means data, configuration, and usage information about Customer's My90 tenant, and client software, users, and survey recipients that is Processed (as defined in Section 1.6 of this Appendix) when using My90 or responding to a My90 Survey. My90 Non-Content Data includes data about users and survey recipients captured during account management and customer support activities. My90 Non-Content Data does not include My90 Customer Content.
 - 1.3.3. "Survey Response" which means survey recipients' response to My90 Survey.
- 1.4. **"My90 Data"** means
 - 1.4.1. "My90 Survey" which means surveys, material(s) or content(s) made available by Axon to Customer and survey recipients within My90.
 - 1.4.2. "Aggregated Survey Response" which means Survey Response that has been de-identified and aggregated or transformed so that it is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to, a particular individual.
- 1.5. **"Personal Data"** means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of that natural person.
- 1.6. **"Processing"** means any operation or set of operations which is performed on data or on sets of data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure, or destruction.
- 1.7. **"Sensitive Personal Data"** means Personal Data that reveals an individual's health, racial or ethnic origin, sexual orientation, disability, religious or philosophical beliefs, or trade union membership.
2. **Access.** Upon Axon granting Customer a subscription to My90, Customer may access and use My90 to store and manage My90 Customer Content, and applicable My90 Surveys and Aggregated Survey Responses. This Appendix is subject to the Terms and Conditions of Axon's Master Service and Purchasing Agreement or in the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern.
3. **IP address.** Axon will not store survey respondents' IP address.
4. **Customer Owns My90 Customer Content.** Customer controls or owns all right, title, and interest in My90 Customer Content. Except as outlined herein, Axon obtains no interest in My90 Customer Content, and My90 Customer Content is not Axon's business records. Except as set forth in this Agreement, Customer is responsible for uploading, sharing, managing, and deleting My90 Customer Content. Axon will only have access to My90 Customer Content for the limited purposes set forth herein. Customer agrees to allow Axon access to My90 Customer Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of My90 and other Axon products.

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5. **Details of the Processing.** The nature and purpose of the Processing under this Appendix are further specified in Schedule 1 Details of the Processing, to this Appendix.
 6. **Security.** Axon will implement commercially reasonable and appropriate measures to secure Customer Data against accidental or unlawful loss, access, or disclosure. Axon will maintain a comprehensive information security program to protect Customer Data including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; security education; and data protection. Axon will not treat Customer Data in accordance with FBI CJIS Security Policy requirements and does not agree to the CJIS Security Addendum for this engagement or any other security or privacy related commitments that have been established between Axon and Customer, such as ISO 27001 certification or SOC 2 Reporting.
 7. **Privacy.** Customer use of My90 is subject to the My90 Privacy Policy, a current version of which is available at <https://www.axon.com/legal/my90privacypolicy>. Customer agrees to allow Axon access to My90 Non-Content Data from Customer to (a) perform troubleshooting, maintenance, or diagnostic screenings; (b) provide, develop, improve, and support current and future Axon products including My90 and related services; and (c) enforce this Agreement or policies governing the use of My90 or other Axon products.
 8. **Location of Storage.** Axon may transfer Customer Data to third-party subcontractors for Processing. Axon will determine the locations for Processing of Customer Data. For all Customer, Axon will Process and store Customer Data within the country Customer is based. Ownership of My90 Customer Content remains with Customer.
 9. **Required Disclosures.** Axon will not disclose Customer Data that Customer shares with Axon except as compelled by a court or administrative body or required by any law or regulation. Axon will notify Customer if any disclosure request is received for Customer Data so Customer may file an objection with the court or administrative body, unless prohibited by law.
 10. **Data Sharing.** Axon may share data only with entities that control or are controlled by or under common control of Axon, and as described below:
 - 10.1. Axon may share Customer Data with third parties it employs to perform tasks on Axon's behalf to provide products or services to Customer.
 - 10.2. Axon may share Aggregated Survey Response with third parties, such as other Axon customers, local city agencies, private companies, or members of the public that are seeking a way to collect analysis on general policing and community trends. Aggregated Survey Response will not be reasonably capable of being associated with or reasonably be linked directly or indirectly to a particular individual.
 11. **License and Intellectual Property.** Customer grants Axon, its affiliates, and assignees the irrevocable, perpetual, fully paid, royalty-free, and worldwide right and license to use Customer Data for internal use including but not limited to analysis and creation of derivatives. Axon may not release Customer Data to any third party under this right that is not aggregated and de-identified. Customer acknowledges that Customer will have no intellectual property right in any media, good or service developed or improved by Axon. Customer acknowledges that Axon may make any lawful use of My90 Data and any derivative of Customer Data including, without limitation, the right to monetize, redistribute, make modification of, and make derivatives of the surveys, survey responses and associated data, and Customer will have no intellectual property right in any good, service, media, or other product that uses My90 Data.
 12. **Customer Use of Aggregated Survey Response.** Axon will make available to Customer Aggregated Survey Response and rights to use for any Customer purpose.
 13. **Data Subject Rights.** Taking into account the nature of the Processing, Axon shall assist Customer by appropriate technical and organizational measures, insofar as this is reasonable, for the fulfilment of Customer's obligation to respond to a Data Subject Request regarding any Personal Data contained within My90 Customer Content. If in regard to My90 Customer Content, Axon receives a Data Subject Request from Customer's data subject to exercise one or more of its rights under applicable Data Protection Law, Axon will redirect the data subject within seventy-two (72) hours, to make its request directly to Customer. Customer will be responsible for responding to any such request.
 14. **Assistance with Requests Related to My90 Customer Content.** With regard to the processing of My90 Customer Content, Axon shall, if not prohibited by applicable law, notify Customer without delay after receipt, if Axon: (a) receives a request for information from the Supervisory Authority or any other competent authority regarding My90 Customer Content; (b) receives a complaint or request from a third party regarding the obligations of Customer or Axon under applicable Data Protection Law; or (c) receives any other communication which directly or indirectly pertains to My90 Customer Content or the Processing or protection of My90 Customer Content. Axon
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shall not respond to such requests, complaints, or communications, unless Customer has given Axon written instructions to that effect or if such is required under a statutory provision. In the latter case, prior to responding to the request, Axon shall notify Customer of the relevant statutory provision and Axon shall limit its response to what is necessary to comply with the request.

15. **Axon Evidence Partner Sharing.** If Axon Evidence partner sharing is used to share My90 Customer Content, Customer will manage the data sharing partnership with Axon and access to allow only for authorized data sharing with Axon. Customer acknowledges that any applicable audit trail on the original source data will not include activities and processing performed against the instances, copies or clips that has been shared with Axon. Customer also acknowledges that the retention policy from the original source data is not applied to any data shared with Axon. Except as provided herein, data shared with Axon may be retained indefinitely by Axon.
16. **Data Retention.** Phone numbers provided to Axon directly by Customer or at their direction, or by permitting My90 to access or connect to an information system or similar technology will be retained for twenty-four (24) hours. Axon will not delete Aggregated Survey Response for four (4) years following termination of this Agreement. There will be no functionality of My90 during these four (4) years other than the ability to submit a request to retrieve Aggregated Survey Response. Axon has no obligation to maintain or provide Aggregated Survey Response after these four years and may thereafter, unless legally prohibited, delete all Aggregated Survey Response.
17. **Termination.** Termination of an My90 Agreement will not result in the removal or modification of previously shared My90 Customer Content or the potential monetization of Survey Response and Aggregated Survey Response.
18. **Managing Data Shared.** Customer is responsible for:
 - 18.1. Ensuring My90 Customer Content is appropriate for use in My90. This includes, prior to sharing: (a) applying any and all required redactions, clipping, removal of metadata, logs, etc. and (b) coordination with applicable public disclosure officers and related legal teams;
 - 18.2. Ensuring that only My90 Customer Content that is authorized to be shared for the purposes outlined is shared with Axon. Customer will periodically monitor or audit this shared data;
 - 18.3. Using an appropriately secure data transfer mechanism to provide My90 Customer Content to Axon;
 - 18.4. Immediately notifying Axon if My90 Customer Content that is not authorized for sharing has been shared. Axon may not be able to immediately retrieve or locate all instances, copies or clips of My90 Customer Content in the event Customer requests to un-share previously shared My90 Customer Content;
19. **Prior to enrollment in My90.** Prior to enrolling in My90, Customer will:
 - 19.1. determine how to use My90 in accordance with applicable laws and regulations including but not limited to consents, use of info or other legal considerations;
 - 19.2. develop a set of default qualification criteria of what My90 Customer Content may be shared with Axon; and
 - 19.3. assign responsibilities for managing what My90 Customer Content is shared with Axon and educate users on what data may or not be shared with Axon.
20. **Customer Responsibilities.** Customer is responsible for:
 - 20.1. ensuring no My90 Customer Content or Customer end user's use of My90 Customer Content or My90 violates this Agreement or applicable laws;
 - 20.2. providing, and will continue to provide, all notices and has obtained, and will continue to obtain, all consents and rights necessary under applicable laws for Axon to process Customer Data in accordance with this Agreement; and
 - 20.3. maintaining necessary computer equipment and Internet connections for use of My90. If Customer becomes aware of any violation of this Agreement by an end user, Customer will immediately terminate that end user's access to My90. Customer will also maintain the security of end usernames and passwords and security and access by end users to My90 Customer Content. Customer is responsible for ensuring the configuration and utilization of My90 meets applicable Customer regulations and standards. Customer may not sell, transfer, or sublicense access to any other entity or person. Customer shall contact Axon

immediately if an unauthorized party may be using Customer's account or My90 Customer Content or if account information is lost or stolen.

- 21. Suspension.** Axon may temporarily suspend Customer's or any end user's right to access or use any portion or all of My90 immediately upon notice, if Customer or end user's use of or registration for My90 may (a) pose a security risk to Axon products including My90, or any third-party; (b) adversely impact My90, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent. Customer remains responsible for all fees, if applicable, incurred through suspension. Axon will not delete My90 Customer Content or Aggregated Survey Response because of suspension, except as specified in this Agreement.
- 22. My90 Restrictions.** Customer and Customer end users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:
- 22.1. copy, modify, tamper with, repair, or create derivative works of any part of My90;
 - 22.2. reverse engineer, disassemble, or decompile My90 or apply any process to derive any source code included in My90, or allow others to do the same;
 - 22.3. access or use My90 with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;
 - 22.4. use trade secret information contained in My90, except as expressly permitted in this Agreement;
 - 22.5. access My90 to build a competitive product or service or copy any features, functions, or graphics of My90;
 - 22.6. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within My90; or
 - 22.7. use My90 to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third-party privacy rights; or to store or transmit malicious code.

Schedule 1- Details of the Processing

1. **Nature and Purpose of the Processing.** To help Customer obtain feedback from individuals, such as members of their community, staff, or officers. Features of My90 may include:
 - 1.1. Survey Tool where Customer may create, distribute, and analyze feedback from individuals it designates. Customer may designate members of the community, staff or officers from whom they would like to obtain feedback;
 - 1.2. Creation of custom forms for surveys. Customer may select questions from a list of pre-drafted questions or create their own;
 - 1.3. Distribution of survey via multiple distribution channels such as text message;
 - 1.4. Ability to access and analyze Survey Response. Axon may also provide Customer Aggregated Survey Responses which contain analysis and insights from the Survey Response;
 - 1.5. Direct integrations into information systems including Computer Aided Dispatch ("**CAD**"). This will enable Customer to share contact information easily and quickly with Axon of any individuals from whom it wishes to obtain feedback, enabling Axon to communicate directly with these individuals;
 - 1.6. Data Dashboard Beta Test ("**Data Dashboard**") where Survey Response and Aggregated Survey Response will be displayed for Customer use. Customer will be able to analyze, interpret, and share results of the Survey Response. My90 may provide beta versions of the Data Dashboard that are specifically designed for Customer to test before they are publicly available;
 - 1.7. Survey Responses will be aggregated and de-identified and may be subsequently distributed and disclosed through various mediums to: (1) Customer; (2) other Axon Customer; (3) private companies; and (4) members of the public. The purpose of disclosure is to provide ongoing insights and comparisons on general policing and community trends. Prior to disclosing this information, Axon will ensure that the Survey Response has been de-identified and aggregated or transformed so that it is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual; and
 - 1.8. Provide services and materials to engage Customer stakeholders, market the partnership to the public, and facilitate training.



Axon Event Offer Appendix

If the Agreement includes the provision of, or Axon otherwise offers, ticket(s), travel and/or accommodation for select events hosted by Axon (“Axon Event”), the following shall apply:

1. **General.** Subject to the terms and conditions specified below and those in the Agreement, Axon may provide Customer with one or more offers to fund Axon Event ticket(s), travel and/or accommodation for Customer-selected employee(s) to attend one or more Axon Events. By entering into the Agreement, Customer warrants that it is appropriate and permissible for Customer to receive the referenced Axon Event offer(s) based on Customer’s understanding of the terms and conditions outlined in this Axon Event Offer Appendix.
2. **Attendee/Employee Selection.** Customer shall have sole and absolute discretion to select the Customer employee(s) eligible to receive the ticket(s), travel and/or accommodation that is the subject of any Axon Event offer(s).
3. **Compliance.** It is the intent of Axon that any and all Axon Event offers comply with all applicable laws, regulations and ethics rules regarding contributions, including gifts and donations. Axon’s provision of ticket(s), travel and/or accommodation for the applicable Axon Event to Customer is intended for the use and benefit of Customer in furtherance of its goals, and not the personal use or benefit of any official or employee of Customer. Axon makes this offer without seeking promises or favoritism for Axon in any bidding arrangements. Further, no exclusivity will be expected by either party in consideration for the offer. Axon makes the offer with the understanding that it will not, as a result of such offer, be prohibited from any procurement opportunities or be subject to any reporting requirements. If Customer’s local jurisdiction requires Customer to report or disclose the fair market value of the benefits provided by Axon, Customer shall promptly contact Axon to obtain such information, and Axon shall provide the information necessary to facilitate Customer’s compliance with such reporting requirements.
4. **Assignability.** Customer may not sell, transfer, or assign Axon Event ticket(s), travel and/or accommodation provided under the Agreement.
5. **Availability.** The provision of all offers of Axon Event ticket(s), travel and/or accommodation is subject to availability of funds and resources. Axon has no obligation to provide Axon Event ticket(s), travel and/or accommodation.
6. **Revocation of Offer.** Axon reserves the right at any time to rescind the offer of Axon Event ticket(s), travel and/or accommodation to Customer if Customer or its selected employees fail to meet the prescribed conditions or if changes in circumstances render the provision of such benefits impractical, inadvisable, or in violation of any applicable laws, regulations, and ethics rules regarding contributions, including gifts and donations



Axon Training Pod

1. **Customer Responsibilities.** Customer is responsible for: (i) all permits to use the Axon Training Pod; (ii) complying with all applicable laws pertaining to the use of the Axon Training Pod; (iii) any maintenance required for the Axon Training Pod; and (iv) disposal of the Axon Training Pod.
2. **Warranties. TO THE EXTENT NOT PROHIBITED BY LAW, AXON TRAINING POD IS SOLD “AS IS” WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.**
3. **Placement.** Axon will make its best efforts to work with Customer on the initial placement of the Axon Training Pod. After the initial placement, it is the Customer’s responsibility to make any adjustments to the Axon Training Pod’s placement.



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Police Department

SUBJECT: North Central Narcotics Task Force Interagency Agreement

EXECUTIVE SUMMARY

The department joined the McHenry County Drug Task Force in 2011 to enhance drug investigations while limiting the impact on the current Department staffing. The department continues to be committed in providing the resources needed for drug investigations; however, in approximately mid-2024, the Department began researching other agencies whom the Department may partner with in this endeavor offering broader investigative reach and more resources. Staff met with representatives from the Illinois State Police North Central Narcotics Task Force (NCNTF) to discuss this possible partnership. Through our discussions with that task force and with area police chiefs, we found that NCNTF offers several benefits we don't currently receive: our officer assigned to NCNTF would have state-wide jurisdiction to investigate drug and other criminal offenses affecting our community; NCNTF would allow the Village to call upon many resources that the Illinois State Police has to assist with not only drug investigations, but any other investigations or incidents we may require assistance with; the Village would join two other adjoining jurisdictions already partnered with NCNTF, which would provide for better communication and investigative efforts in the Southern part of McHenry County.

The department plans to assign one officer to the task force fulltime, as it has done in the past, in January of 2025. This officer would be responsible for leading the Department's investigations relating to trafficking of narcotics, guns, and humans. As part of our partnership with NCNTF, our officer would be assisted by other members of NCNTF with these investigations. The officer would also serve as a liaison between the Department and NCNTF in the sharing of intelligence information in addition to assisting with other investigations assigned to NCNTF; The task force encourages the officers to attend roll calls at their home agency monthly to provide this intelligence information and training.

Attached is the NCNTF Interagency Agreement between the existing participating agencies. If the Board approves the recommended motion, Lake in the Hills would be added to this agreement once approved by the NCNTF Board. Additionally, NCNTF is working on a revised Memorandum of Understanding (MOU) for the involved participating agencies regarding rules of operation/governance. Once received, this shall be reviewed with the Village's attorney prior to the Chief of Police signing said MOU.

The current intergovernmental agreement with the McHenry County Narcotics Task Force has a current term of August 1, 2023 - August 1, 2028. This would need to be terminated and may be done so by providing thirty days written notice to the County. If the Board approves the recommended motion, the Chief of Police shall send written notice to the County withdrawing from their task force.

FINANCIAL IMPACT

The Village would be responsible for paying the assigned officer's salary, which is currently \$91,324.48, and benefits in addition to gas and maintenance of the NCNTF-provided vehicle. Annually, the NCNTF policy board votes on allocation of asset forfeiture funds for potential disbursement to participating agencies. Additionally, participating agencies receive a member stipend for the contribution of staffing to the task force, which is estimated to be \$5,000 annually; This amount is adjusted by percentage of the year our officer is assigned to the task force.

ATTACHMENTS

1. NCNTF Interagency Agreement

RECOMMENDED MOTION

Motion to approve the North Central Narcotics Task Force Interagency Agreement, effective January 1, 2025, and for the Chief of Police to execute necessary paperwork to effectuate the transition from the McHenry County Narcotics Task Force to the North Central Narcotics Task Force, including approval of forthcoming rules of operation/governance.

North Central Narcotics Task Force

INTERAGENCY AGREEMENT

The undersigned public agencies, charged with the duty of enforcing the law and protecting their citizens from illegal activity including the trafficking of narcotics, guns, and humans, and recognizing that the jurisdiction and authority to each is limited and that such limitations are detrimental in combating crime within the designated counties and among the major municipalities within said counties, and recognizing that the most effective means to accomplish that duty is through the pooling of their resources and the joint exercise of their respective authorities; each of them does now enter into this Interagency Agreement to provide to their citizens the most effective law enforcement protection against those who engage in actions detrimental to the public safety.

In consideration of the terms herein set forth and the mutual covenants and obligations of the parties hereto, the undersigned parties agree to the following:

I. PARTIES

The parties to this agreement are: Algonquin Police Department, Batavia Police Department, Elk Grove Village Police Department, Geneva Police Department, Huntley Police Department, Metra Railroad Police Department, Saint Charles Police Department, Schaumburg Police Department, Streamwood Police Department, Wheeling Police Department, and the Illinois State Police.

II. AUTHORITY

Parties hereby enter into this Agreement in accordance with the authority vested in them by Article VII, Section 10, of the Constitution of the State of Illinois and the Intergovernmental Cooperation Act (5 ILCS 220/1).

III. ORGANIZATION

A. Governing Board

The North Central Narcotics Task Force Governing Board shall be composed of an elected public official, or his designee, and the Chief Law Enforcement Officer, or his designee, from all participating local units of government. The Governing Board shall supervise and oversee the operations of the North Central Narcotics Task Force.

B. Task Force Commander

Task Force Commander will be an ISP officer holding the rank of Acting Master Sergeant or Master Sergeant acting under the direct supervision of the ISP Zone Commander;

IV. PURPOSE

The purpose of this agreement is to create a multi-jurisdictional authority to be known as the North Central Narcotics Task Force, hereinafter referred to as the Task Force. The Agreement will set forth the rules, policies, and understanding between the departments. The Task Force will direct its primary enforcement efforts in the following areas:

- A. Covert and overt investigations concerning individuals engaged in illicit criminal activities with specific emphasis on trafficking of drugs, guns, and humans;
- B. Development of intelligence data regarding criminal activity in the area;
- C. Assist local agencies with case development for those investigations that are beyond capabilities of the requesting agency and/or those investigations that indicate a mid-level drug conspiracy or higher;
- D. Dissemination of intelligence activities to the appropriate federal, state, and local law enforcement agencies;
- E. Establishment of liaison with the State's Attorney's Offices and the United States Attorney's Office for legal advice and encouragement of vigorous prosecution of developed cases.

V. DURATION

This agreement will be effective upon its execution by all the signed parties and will supersede any and all previous agreements. This agreement will be reviewed and renewed on a yearly basis.

VI. DUTIES OF THE ILLINOIS STATE POLICE

ISP agrees to supply the following facilities, equipment and services to be utilized in support of Task Force activities:

- A. Facilities to house the Task Force operations; Any offsite work location utilized will be at the discretion of the unit Commander and the Governing Board and shall be the responsibility of said unit.
- B. Training in proactive enforcement techniques and covert investigative methods as well as continuing training as outlined in the Onboarding agreement;
- C. Specialized equipment and/or communications devices; Subject to availability

- D. Appointment of Task Force officers as "Inspectors" of the Illinois State Police and the issuance of credentials pursuant to the authority in 20 ILCS 2620/4;
- E. Facilities for storage of evidence obtained during Task Force investigations and resources to dispose of said evidence upon authority of the appropriate prosecuting authority and/or within the guidelines as established by the Illinois State Police Governing;
- F. Provide personnel in the rank of Lieutenant or Captain to serve as a voting board member to the Task Force. The Chairman of the Governing Board is to be determined by the unit's Governing Board.

Any credentials, equipment and components assigned or issued by the Task Force or ISP to any officer or participant must be surrendered to the ISP upon termination of the officer's affiliation with the Task Force.

VII. OPERATIONAL PROCEDURES

The parties agree that the following operations duties/assignments shall prevail throughout the duration of the Agreement:

A. Task Force Commander:

1. Will be an ISP officer holding the rank of Acting Master Sergeant or Master Sergeant acting under the direct supervision of the ISP Zone Commander;
2. Be responsible for the overall direction and supervision of the assigned work force;
3. Will devise, implement, arrange and administer training for personnel assigned to the Task Force;
4. Will review the use and documentation of Official Advance Funds to ensure it is used in accordance with ISP Governing;
5. Be responsible for the submission of grant proposals and monetary requests to the Illinois Criminal Justice Information Authority or other entities offering potential funding opportunities;
6. Be responsible for oversight of the Task Force asset forfeiture program in accordance with ISP Governing, as well as the approval of all expenditures of Task Force funds acquired through State and Federal asset forfeitures and court fines and fees;

7. Be responsible for reviewing and approving investigative documents in accordance with ISP report writing practices and directives;

B. Task Force Supervisor

1. Will act under the direction of the Task Force Commander; TF Supervisor will hold the rank of ISP Sergeant or Master Sergeant
2. Will be responsible for the daily operations of their assigned squad and the direct supervision of the assigned work force;
3. Develop, implement, and arrange/administer training for personnel assigned to their supervision;
4. Review, analyze, document and approve use of official advance funds in accordance with ISP reporting practices and directives;
5. Be responsible for overtime approval and assuring accurate procedures are being followed by Task Force officers;
6. Is responsible for apprising the Task Force Commander of the unit's operations and assist in the formulation of activity reports;
7. Be responsible for other duties as prescribed by the Task Force Commander.

C. Task Force Members

1. If personnel are assigned, officers will be of full-time status from the ISP or local agencies. Such officers shall, prior to appointment, pass an ISP background investigation. The officer shall not be subject to any current or pending disciplinary actions;
2. The Inspector will enter into an onboarding agreement with the Task Force which will outline the expectations during the time as a Task Force member. The officer will adhere to all aspects of the agreement during their time on the Task Force.
3. Will adhere to all laws of the State of Illinois and the United States of America;
4. Will comply with their respective agency's policies and procedures as they apply to personnel issues, i.e. salary, overtime, vacation, holiday, sick time, and authorized weapons;

5. Will agree to participate in the ISP random drug testing Governing and to submit to an ISP sanctioned drug test upon request.

VIII. OTHER OPERATIONAL CONSIDERATIONS

- A. ISP report writing and case preparation procedures shall be utilized to document enforcement activities undertaken by the Task Force.
- B. All investigations should be deconflicted through the Illinois Statewide Terrorism and Intelligence Center.
- C. The ISP Confidential Source, Official Advance Funds, and Evidence Handling policies will govern Task Force operations.
- D. A copy of the directives expected to be followed will be given to the Task Force officer with their onboarding information.

IX. MISCONDUCT

- A. Misconduct by officers of the Task Force shall include the following:
 1. Commission of a criminal offense;
 2. Neglect of duties;
 3. Violation of Task Force policies and/or rules of procedures;
 4. Conduct which may tend to reflect unfavorably upon any of the parties to this agreement.
- B. Upon receipt of a complaint from a law enforcement agency, a states attorney's office, or any other credible source alleging misconduct by a Task Force officer, the following procedures will be initiated:
 1. The Task Force commander shall conduct a preliminary review of the allegations to verify the complaint and to determine the nature, scope, and need to conduct a follow up investigation;
 2. In the event the allegations appear to be credible, the Task Force Commander will notify the Zone Commander and the chief executive of the officer's parent agency;
 3. If the complaint is of a non-criminal nature, the Task Force Commander and chief executive of the Inspector's parent agency will determine who will

conduct the investigation. If the complaint is verified, the parent agency will implement disciplinary action as deemed necessary;

4. If the complaint is of a criminal nature, the Task Force Commander and agency head shall require a criminal investigation be conducted by the ISP Division of Internal Investigation. The investigation will be forwarded to the respective States Attorney's office for decision on prosecution.

X. REPORTING

- A. The Task Force Commander will notify the respective departments if requested by parent agency, of any time earned or used by the officer during each payroll period;
- B. The Task Force Commander will immediately notify the respective departments if there are any issues concerning the assigned Inspector;
- C. The Task Force Commander will evaluate officers on a yearly basis; the evaluation tool will be determined by the Task Force Commander in agreement with the parent agency and retained as part of the Inspector's personnel file. The Inspector will stay on the unit if both parties agree the Inspector is performing their duties to the best of their ability and is proactively seeking new investigations, making arrests, and effectively impacting the community. If the Task Force Commander and parent agency determine the Inspector is no longer effective in the unit, the Inspector will be removed and reassigned as the parent agency sees fit;
- D. The Task Force Commander will present statistics for investigations, arrests, seizures and search warrants for the assigned Inspector at each board meeting, which will convene at least quarterly or as needed as directed by the unit Governing Board.
- E. The Task Force Commander will submit statistics, table of organizations, budgets, and any additional information requested by the ISP immediately upon request.

XI. LIABILITY

- A. The ISP and/or the State of Illinois shall provide representation and indemnification to the extent permitted by law to Task Force Inspectors in the event that any civil proceeding is commenced against such Task Force officer alleging the deprivation of a civil or constitutional right arising out of any act or omission occurring within the scope of task force activities provided that such actions were not the result of the officers intentional, willful, or wanton misconduct;

- B. Each Task Force unit shall also maintain a policy of insurance to cover any civil proceedings commenced against such Task Force for instances of a conflict of interest or acts or omissions occurring outside the scope of the Task Force activities, including but not limited to the result of officers intentional, willful, or wanton misconduct;
- C. Each agency will accept liability, to the extent required by the Illinois Workers' Compensation Act (820 ILCS 305/1) for personal injuries occurring to its officers while engaged in Task Force activities.

XII. TERMINATION/MODIFICATION OF AGREEMENT

- A. Any party may withdraw from this agreement 90 days after providing written notice of withdrawal to all other parties. Withdrawal of any party will not affect the agreement with respect to the remaining parties. Any modification of this agreement requires written approval by all parties.
- B. The Task Force Governing board may disband the operation of this Task Force at any time by a majority vote where upon this agreement will be terminated. All Task Force property obtained through grants from the Illinois Criminal Justice Information Authority shall be disposed of consistent with current property management or disposition guidelines issued by the Authority's Office of Federal Assistance Programs.
- C. At the time of termination, the active participating agencies will vote on the disbursement of the non-grant Task Force assets and forfeited assets.

XIII. REVIEW AND ACCEPTANCE VERIFICATION

I certify that I am the Chief Executive Officer for my agency or that I have the authority to represent said agency in the execution of the herein Interagency Agreement. I further certify that I have reviewed and accept the terms and conditions of said Interagency Agreement.

Name: _____	Name: _____
Signature: _____	Signature: _____
Title: _____	Title: _____
Date: _____	Date: _____
Agency: _____	Agency: _____

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Agency: _____



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Finance

SUBJECT: Resolution – Estimating the Amount of the Tax Levy for 2024

EXECUTIVE SUMMARY

Illinois compiled statutes require that the corporate authorities of the Village estimate the amount of tax to be levied not less than 20 days prior to the adoption of the final levy which is scheduled to be presented at the December 12th Committee of the Whole and Village Board meetings.

For the 15th consecutive year, there is no increase proposed to existing property owners taken as a whole. The proposed levy does, however, capture property taxes on new construction, as it has since 2021, as a funding source for the increased demand for Village services generated by that new construction.

The projected equalized assessed valuation (EAV) for 2024 is estimated to be \$1,034,688,030, which represents an 11.8% increase from the 2023 EAV of \$925,470,968 and would result in the highest EAV on record for the Village, exceeding the \$1 billion mark for the first time. The projected EAV for 2024 is based on the McHenry County Assessor's Estimated EAV Report that was recently provided to the Village. Also included on that report is the estimated new construction portion of the EAV for 2024 of \$4,750,181.

The estimated tax rate is expected to decrease by -10.1% from 0.599553 to 0.538743 due to the projected 11.8% increase in EAV. This would be the lowest tax rate on record for the Village.

Each individual property owner's real estate tax bill will fluctuate based on the percentage change in EAV for each property compared to the percentage change for the entire Village as a whole. However, all existing property in total will see no increase in their portion of the property tax levy which will remain at the 2023 level of \$5,481,117.

The portion of the tax levy that is attributable to new construction for the 2021 through 2023 Tax Years is \$67,572 which will also remain at that constant level. The portion of the tax levy that is attributable to new construction from the 2024 Tax Year is \$25,591 which is calculated by applying the 0.538743 estimated tax rate against the projected new construction EAV of \$4,750,181.

Therefore, the total estimated amount to be levied for corporate and special purpose property taxes for 2024 is \$5,574,280 which is a 0.5% increase from the 2023 tax extension of \$5,548,688.93. The 2024 tax levy for debt service for SSA#51 for G.O. Bonds Series 2019 in the amount of \$109,400 is proposed to be abated in its entirety so that total is not included in the proposed 2024 levy amount.

The components of the proposed 2024 levy of \$5,574,280 can be summarized as follows:

Levy	Amount
<u>Existing Property</u>	
Corporate	\$ 5,474,117
IMRF	\$ 1,000
Police Protection	\$ 1,000
Police Pension	\$ 1,000
Audit	\$ 1,000
Liability Insurance	\$ 1,000
Social Security	\$ 1,000
Workers Compensation	\$ 1,000
Sub-Total Existing Property	\$ 5,481,117
<u>New Construction</u>	
<u>Prior Years</u>	
Corporate	\$ 67,572
<u>Current Year</u>	
Corporate	\$ 25,591
Sub-Total New Construction	\$ 93,163
Total 2024 Tax Levy	\$ 5,574,280

Based on the estimated EAV for 2024 of \$1,034,688,030, the estimated tax rate is then calculated as follows:

VILLAGE OF LAKE IN THE HILLS			
Estimated 2024 Tax Rate Calculation			
Levy	Limiting Rate Per Statues	Estimated 2024 Rate	Proposed Levy
Corporate	None	0.538064	\$ 5,567,280
IMRF	None	0.000097	\$ 1,000
Police Protection	None	0.000097	\$ 1,000
Police Pension	None	0.000097	\$ 1,000
Audit	None	0.000097	\$ 1,000
Liability Insurance	None	0.000097	\$ 1,000
Social Security	None	0.000097	\$ 1,000
Workers Compensation	None	0.000097	\$ 1,000
Total		0.538743	\$ 5,574,280
Notes: 1) Based on the estimated EAV of \$1,034,688,030.			
2) Rates are per \$100 of EAV and are expressed as a percentage.			
3) Based on a projected 2024 tax rate of 0.538743 per \$100 of EAV, the tax rate is projected to have decreased by -45.7% since 1991.			

Pursuant to the Truth in Taxation Act, since the estimated levy for 2024 does not exceed the levy extension or abatement for 2023 by more than 5%, a public hearing is not required prior to the adoption of the levy for 2024. A Resolution Estimating the Amount of the Tax Levy for 2024 at \$5,574,280 is attached along with a Property Tax Trend Analysis for 1991 through 2024 and the most recent McHenry County Assessor Estimated EAV Report for Tax Year 2024.

FINANCIAL IMPACT

The estimated property tax levy for 2024 to be collected in 2025 of \$5,574,280 will be approximately 24% of the entire projected General Fund budgeted revenues for Fiscal Year 2025.

ATTACHMENTS

1. Resolution Estimating the Amount of the Tax Levy for 2024
2. Property Tax Trend Analysis from 1991 through 2024
3. McHenry County Assessor Estimated EAV Report for Tax Year 2024

RECOMMENDED MOTION

Motion to approve the attached Resolution Estimating the Amount of the Tax Levy for 2024 at \$5,574,280.

VILLAGE OF LAKE IN THE HILLS

Resolution 2024 _____

A Resolution Estimating the Amount of the Tax Levy for 2024

Be it resolved by the President and Board of Trustees of the Village of Lake in the Hills, pursuant to the Truth in Taxation Act (35 ILCS 200/18-55 et seq.) as follows:

1. The total amount of the Levy to be received in Fiscal Year 2025 covering real estate assessed for the calendar year 2024 in the Village of Lake in the Hills is estimated to be \$5,574,280.00 or a 0.5% increase from the amount actually extended or abated for the 2023 assessment year of \$5,548,688.93.
2. Pursuant to the Truth in Taxation Act, since the estimated Levy for 2024 does not exceed the amount of the Levy extended or abated for 2023 by more than 5%, a public hearing is not required prior to the adoption of the Levy for 2024.

Passed this 14th day of November, 2024 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 14TH DAY OF NOVEMBER, 2024

Village President, Ray Bogdanowski

(SEAL)

ATTEST: _____
Village Clerk, Shannon DuBeau

Published: _____

Village of Lake in the Hills
Property Tax Trend Analysis

Year	Levy Extension on Base EAV	% Inc. (Dec.)	Levy Extension on Prior Years' New Const EAV	Levy Extension on Current Year's New Const EAV	Total Levy Extension	EAV	% Inc. (Dec.)	Tax Rate	% Inc. (Dec.)
1991 Actual	623,240					62,863,441		0.991400	
1992 Actual	756,154	21.3%				80,006,058	27.3%	0.945100	-4.7%
1993 Actual	979,094	29.5%				103,540,172	29.4%	0.945600	0.1%
1994 Actual	1,277,088	30.4%				151,618,879	46.4%	0.842300	-10.9%
1995 Actual	1,636,066	28.1%				203,997,661	34.5%	0.802000	-4.8%
1996 Actual	2,010,462	22.9%				262,359,059	28.6%	0.766300	-4.5%
1997 Actual	2,373,765	18.1%				315,407,653	20.2%	0.752600	-1.8%
1998 Actual	2,618,374	10.3%				353,320,313	12.0%	0.740800	-1.6%
1999 Actual	2,829,078	8.0%				384,124,305	8.7%	0.736500	-0.6%
2000 Actual	3,136,877	10.9%				430,829,910	12.2%	0.728100	-1.1%
2001 Actual	3,471,982	10.7%				478,234,115	11.0%	0.726000	-0.3%
2002 Actual	3,677,022	5.9%				525,062,963	9.8%	0.700300	-3.5%
2003 Actual	3,952,276	7.5%				581,472,987	10.7%	0.679700	-2.9%
2004 Actual	4,251,099	7.6%				645,572,336	11.0%	0.658500	-3.1%
2005 Actual	4,658,103	9.6%				713,775,474	10.6%	0.652600	-0.9%
2006 Actual	4,884,529	4.9%				773,725,560	8.4%	0.631300	-3.3%
2007 Actual	5,156,731	5.6%				829,056,353	7.2%	0.622000	-1.5%
2008 Actual	5,408,776	4.9%				845,433,071	2.0%	0.639764	2.9%
2009 Actual	5,627,859	4.1%				837,906,529	-0.9%	0.671657	5.0%
2010 Actual	5,627,827	0.0%				737,383,217	-12.0%	0.763216	13.6%
2011 Actual	5,560,280	-1.2%				707,118,817	-4.1%	0.786329	3.0%
2012 Actual	5,493,550	-1.2%				621,887,649	-12.1%	0.883367	12.3%
2013 Actual	5,483,629	-0.2%				579,598,035	-6.8%	0.946109	7.1%
2014 Actual	5,481,695	0.0%				559,768,458	-3.4%	0.979279	3.5%
2015 Actual	5,481,691	0.0%				574,643,551	2.7%	0.953929	-2.6%
2016 Actual	5,481,688	0.0%				612,565,991	6.6%	0.894873	-6.2%
2017 Actual	5,481,723	0.0%				647,914,863	5.8%	0.846056	-5.5%
2018 Actual	5,481,747	0.0%				688,569,936	6.3%	0.796106	-5.9%
2019 Actual	5,481,777	0.0%				737,600,981	7.1%	0.743190	-6.6%
2020 Actual	5,481,772	0.0%				761,745,562	3.3%	0.719633	-3.2%
2021 Actual	5,481,703	0.0%	0	33,226	5,514,929	789,341,144	3.6%	0.698675	-2.9%
2022 Actual	5,481,690	0.0%	33,226	16,759	5,531,674	844,273,937	7.0%	0.655199	-6.2%
2023 Actual	5,481,117	0.0%	49,985	17,588	5,548,689	925,470,968	9.6%	0.599553	-8.5%
2024 Proposed	5,481,117	0.0%	67,572	25,591	5,574,280	1,034,688,030	11.8%	0.538743	-10.1%

Assessor Estimated EAV Report by Tax District McHenry County

Tax Year: 2024

VCLI - LAKE IN THE HILLS VILLAGE

Totals

Board of Review Abstract	1,138,336,478
- Exemptions	103,648,448
- Under Assessed	0
+ State Assessed	0
Total EAV	1,034,688,030
- Tif Increment / Ezone	0
Rate Setting EAV	1,034,688,030

New Construction

Commercial	2,483,901
Farm	0
Industrial	0
Local Rail Road	0
Mineral	0
Residential	2,266,280
Total	4,750,181

Exemption Category	Commercial		Farm		Industrial		Local Rail Road		Mineral		Residential		State Rail Road		Totals	
	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count
Parcel Count		348		14		109		0		25		10,305		0		10,801
Board of Review Abstract	74,191,055		562,361		26,252,582		0		3,663,061		1,033,667,419		0		1,138,336,478	
- Home Improvement	0	0	0	0	0	0	0	0	0	0	185,530	32	0	0	185,530	32
- Veteran's	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
+ State Assessed	0		0		0		0		0		0		0		0	
= EAV	74,191,055	0	562,361	0	26,252,582	0	0	0	3,663,061	0	1,033,481,889	32	0	0	1,138,150,948	32
- Senior Assessment Freeze	0	0	0	0	0	0	0	0	0	0	11,128,116	343	0	0	11,128,116	343
- Owner Occupied	0	0	0	0	0	0	0	0	0	0	67,939,344	8,493	0	0	67,939,344	8,493
- Senior Citizen's	0	0	0	0	0	0	0	0	0	0	12,294,747	1,537	0	0	12,294,747	1,537
- Disabled Person	0	0	0	0	0	0	0	0	0	0	274,000	137	0	0	274,000	137
- Disabled Veteran	0	0	0	0	0	0	0	0	0	0	11,722,528	131	0	0	11,722,528	131
- Returning Veteran	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Natural Disaster	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Fraternal Freeze	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Vet Freeze	104,183	1	0	0	0	0	0	0	0	0	0	0	0	0	104,183	1
- Under Assessed	0		0		0		0		0		0		0		0	
- E-Zone	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- TIF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Drainage	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
= Taxable Value	74,086,872		562,361		26,252,582		0		3,663,061		930,123,154		0		1,034,688,030	



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Finance

SUBJECT: Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2023 and Annual Funding Request for Fiscal Year 2025

EXECUTIVE SUMMARY

Attached is the Village of Lake in the Hills Police Pension Fund Municipal Compliance Report (MCR) for the Fiscal Year Ended December 31, 2023. This is a report on the financial condition of the fund as of the end of the most recently completed fiscal year and is required to be presented prior to the Village Board levying taxes for the year on behalf of the Police Pension Fund.

The MCR reports on nine items; **1.** total cash and investments, **2.** estimated receipts during the next fiscal year, **3.** estimated amount required during the next fiscal year to pay all pensions and obligations and to meet the annual requirements of the fund, **4.** total net income received from investment of assets and other investment information, **5.** total number of active employees, **6.** total amount disbursed in benefits during the fiscal year, **7.** the funded ratio of the fund, **8.** the unfunded liability of the fund, and **9.** a copy of the fund's cash management and investment policies.

The Police Pension Board approved the MCR for presentation to the Village Board at its meeting on October 14, 2024 and requested a lump sum payment from the Village for Fiscal Year 2025 for at least the amount of the recommended contribution of \$1,003,223.

FINANCIAL IMPACT

- Total net position of the fund increased by \$5,127,174 or 11.7% from the prior year.
- The recommended Village contribution decreased by -\$13,664 from the prior year to \$1,003,223.
- The actual investment return for the fund was a 12.3% for the year.
- The funded ratio of the fund increased by 0.21% from the prior year (from 96.95% to 97.16%).
- The unfunded liability of the fund decreased by -\$29,206 or 1.9% from the prior year (from \$1,519,317 to \$1,490,111).

ATTACHMENTS

1. Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for Fiscal Year Ended December 31, 2023.

RECOMMENDED MOTIONS

1. Motion to accept and place on file the Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2023.
2. Motion to approve the Village of Lake in the Hills Police Pension Fund's funding request for Fiscal Year 2025 in the amount of \$1,005,000 to be paid in twelve equal monthly installments of \$83,750 from any readily available and unrestricted General Fund revenue source.



August 29, 2024

Members of the Pension Board of Trustees
Lake in the Hills Police Pension Fund
Lake in the Hills, Illinois

Enclosed please find a copy of your Municipal Compliance Report for the Lake in the Hills Police Pension Fund for the fiscal year ended December 31, 2023. We have prepared the report with the most recent information available at our office. Should you have more current information, or notice any inaccuracies, we are prepared to make any necessary revisions and return them to you.

The President and Secretary of the Pension Fund are required to sign the report on page 3. If not already included with the enclosed report, please also include a copy of the Pension Fund's most recent investment policy.

The signed Public Act 95-0950 - Municipal Compliance Report must be provided to the Municipality before the tax levy is filed on the last Tuesday in December. We are sending the report via email to promote an environmentally-friendly work atmosphere.

If you have any questions regarding this report, please contact your Client Manager or PSA.

Respectfully submitted,

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

THE VILLAGE OF LAKE IN THE HILLS,
ILLINOIS
POLICE PENSION FUND

PUBLIC ACT 95-0950
MUNICIPAL COMPLIANCE REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

600 Harvest Gate
Lake in the Hills, IL 60156
Phone: 847.658.5676
Fax: 847.960.7415
www.lith.org

**THE VILLAGE OF LAKE IN THE HILLS, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

The Pension Board certifies to the Board of Trustees of the Village of Lake in the Hills, Illinois on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

- 1) The total cash and investments, including accrued interest, of the fund at market value and the total net position of the Pension Fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Total Cash and Investments (including accrued interest)	<u>\$49,070,169</u>	<u>\$43,936,913</u>
Total Net Position	<u>\$49,058,819</u>	<u>\$43,931,645</u>

- 2) The estimated receipts during the next succeeding fiscal year from deductions from the salaries of police officers and from other sources:

Estimated Receipts - Employee Contributions	<u>\$420,700</u>
Estimated Receipts - All Other Sources	
Investment Earnings	<u>\$3,312,200</u>
Municipal Contribution	<u>\$1,003,223</u>

- 3) The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127:

(a) Pay all Pensions and Other Obligations	<u>\$2,185,400</u>
(b) Annual Requirement of the Fund as Determined by:	
Illinois Police Officers' Pension Investment Fund	<u>\$842,363</u>
Private Actuary - Lauterbach & Amen, LLP	
Recommended Municipal Contribution	<u>\$1,003,223</u>
Alternative Municipal Contribution	<u>\$571,760</u>

**THE VILLAGE OF LAKE IN THE HILLS, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

- 4) The total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year compared to the total net income, assumed investment return, and actual investment return received during the preceding fiscal year:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Net Income Received from Investment of Assets	<u>\$5,735,634</u>	<u>(\$6,422,255)</u>
Assumed Investment Return		
Illinois Police Officers' Pension Investment Fund	<u>6.800%</u>	<u>6.800%</u>
Private Actuary - Lauterbach & Amen, LLP	<u>6.750%</u>	<u>6.750%</u>
Actual Investment Return	<u>12.334%</u>	<u>(14.378)%</u>

- 5) The total number of active employees who are financially contributing to the fund:

Number of Active Members	<u>40</u>
--------------------------	-----------

- 6) The total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	<u>Number of</u>	<u>Total Amount Disbursed</u>
(i) Regular Retirement Pension	<u>18</u>	<u>\$1,291,196</u>
(ii) Disability Pension	<u>8</u>	<u>\$379,616</u>
(iii) Survivors and Child Benefits	<u>0</u>	<u>\$0</u>
Totals	<u>26</u>	<u>\$1,670,812</u>

**THE VILLAGE OF LAKE IN THE HILLS, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

7) The funded ratio of the fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Illinois Police Officers' Pension Investment Fund	<u>95.89%</u>	<u>95.59%</u>
Private Actuary - Lauterbach & Amen, LLP	<u>97.16%</u>	<u>96.95%</u>

8) The unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability:

Unfunded Liability:

Illinois Police Officers' Pension Investment Fund	<u>\$2,187,998</u>
Private Actuary - Lauterbach & Amen, LLP	<u>\$1,490,111</u>

The accrued liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and the actuarial assumptions employed in the valuation. The unfunded accrued liability is the excess of the accrued liability over the actuarial value of assets.

9) Please see attached Investment/Cash Management policy if applicable

Please see Notes Page attached.

CERTIFICATION OF MUNICIPAL POLICE
PENSION FUND COMPLIANCE REPORT

The Board of Trustees of the Pension Fund, based upon information and belief, and to the best of our knowledge, hereby certify pursuant to §3-143 of the Illinois Pension Code 40 ILCS 5/3-143, that the preceding report is true and accurate.

Adopted this 14 day of October, 2024

President Lawrence E. Howell Date 10/14/24

Secretary [Signature] Date 10/24/24

**THE VILLAGE OF LAKE IN THE HILLS, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

INDEX OF ASSUMPTIONS

- 1) Total Cash and Investments - as Reported at Market Value in the Audited Financial Statements for the Years Ended December 31, 2023 and 2022.

Total Net Position - as Reported in the Audited Financial Statements for the Years Ended December 31, 2023 and 2022.

- 2) Estimated Receipts - Employee Contributions as Reported in the Audited Financial Statements for the Year Ended December 31, 2023 plus 3.25% Increase (Actuarial Salary Increase Assumption) Rounded to the Nearest \$100.

Estimated Receipts - All Other Sources:

Investment Earnings - Cash and Investments as Reported in the Audited Financial Statements for the Year Ended December 31, 2023, times 6.75% (Actuarial Investment Return Assumption) Rounded to the Nearest \$100.

Municipal Contributions - Recommended Tax Levy Requirement as Reported by Lauterbach & Amen, LLP, Actuarial Valuation for the Year Ended December 31, 2023.

- 3) (a) Pay all Pensions and Other Obligations - Total Non-Investment Deductions as Reported in the Audited Financial Statements for the Year Ended December 31, 2023, plus a 25% Increase, Rounded to the Nearest \$100.

(b) Annual Requirement of the Fund as Determined by:

Illinois Police Officers' Pension Investment Fund - Suggested Amount of Tax Levy as Reported in the December 31, 2023 Actuarial Valuation.

Private Actuary - Lauterbach & Amen, LLP:

Recommended Amount of Tax Levy as Reported by Lauterbach & Amen, LLP in the December 31, 2023 Actuarial Valuation.

Alternative Amount of Tax Levy as Reported by Lauterbach & Amen, LLP in the December 31, 2023 Actuarial Valuation.

**THE VILLAGE OF LAKE IN THE HILLS, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
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- 4) Net Income Received from Investment of Assets - Investment Income (Loss) net of Investment Expense, as Reported in the Audited Financial Statements for the Years Ended December 31, 2023 and 2022.

Assumed Investment Return:

Illinois Police Officers' Pension Investment Fund - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the Years Ended December 31, 2023 and 2022 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the Years Ended December 31, 2023 and 2022 Actuarial Valuations.

Actual Investment Return -Net Income Received from Investments as Reported Above as a Percentage of the Average of the Beginning and Ending Balances of the Fiscal Year Cash Investments, Excluding Net Investment Income, Gains, and Losses for the Fiscal Year Return Being calculated, as Reported in the Audited Financial Statements for the Fiscal Years Ended December 31, 2023 and 2022.

- 5) Number of Active Members - Illinois Department of Insurance Annual Statement for December 31, 2023 - Schedule P.
- 6) (i) Regular Retirement Pension - Illinois Department of Insurance Annual Statement for December 31, 2023 - Schedule P for Number of Participants and Expense page 1 for Total Amount Disbursed.
- (ii) Disability Pension - Same as above.
- (iii) Survivors and Child Benefits - Same as above.

**THE VILLAGE OF LAKE IN THE HILLS, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

INDEX OF ASSUMPTIONS

7) The funded ratio of the fund:

Illinois Police Officers' Pension Investment Fund - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the December 31, 2023 and 2022 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the December 31, 2023 and 2022 Actuarial Valuations.

8) Unfunded Liability:

Illinois Police Officers' Pension Investment Fund - Deferred Asset (Unfunded Accrued Liability) as Reported in the December 31, 2023 Actuarial Valuation.

Private Actuary - Deferred Asset (Unfunded Accrued Liability) as Reported by Lauterbach & Amen, LLP in the December 31, 2023 Actuarial Valuation.

CASH MANAGEMENT POLICY

of the

LAKE IN THE HILLS POLICE PENSION FUND

Adopted January 17, 2022

This Cash Management Policy (the “Policy”) is adopted by the Board of Trustees (the “Board”) of the Lake in the Hills Police Pension Fund (LITHPPF).

1. INTRODUCTION

The purpose of this Cash Management Policy is to require cash forecasts so as to ensure sufficient operating liquidity by estimating the available cash deposits, expected inflows, and required disbursements during a given period. This Policy aims to ensure an efficient working process that allows the LITHPPF to meet monthly benefit obligations and operating expenses and transfer excess funds to the Police Officers’ Pension Investment Fund (POPIF) for investment purposes.

2. SCOPE

This Policy will address the following procedures and processes for cash management:

- Objectives of the Cash Management Policy
- Authorized Representatives
- Cash Management Procedures
- Cash Flow Planning

3. OBJECTIVES

The cash forecast analysis is intended to measure and assess the LITHPPF’s ability to meet its liquidity needs. Cash forecasting can reduce the need for liquidation of long-term investments before maturity in the event of a cash shortfall, and can identify idle funds and determine whether those funds could be transferred to the POPIF for investment purposes.

Outline the procedure for the LITHPPF to transfer cash to the POPIF.

4. ACCOUNT REPRESENTATIVES

The Account Representative for the purpose of transferring cash to the POPIF shall be the Treasurer. In order to initiate a transfer, it will also require the approval of either the President or the Secretary. The approval needs to be documented. Once approved, the Treasurer will make the transfer.

5. CASH MANAGEMENT PROCEDURES

The LITHPPF shall keep, at a minimum, an estimated three months of expenses in a local account. The amount of cash kept in the local account will fluctuate and will necessitate transfers to and from the POPIF. Requests to redeem cash from the POPIF can be made on a monthly basis and should occur via the Automated Clearing House (ACH) electronic funds transfer system.

If the LITHPPF has determined that it has a surplus of cash in the local account, it should transfer the funds to the POPIF for investment. The Treasurer (Account Representative) shall send transfers to the POPIF in the manner prescribed by the POPIF. The Treasurer shall indicate that the transfer is for the LITHPPF, the dollar amount to be transferred, and the date the transfer will be made.

It is the responsibility of the LITHPPF to ensure enough money is kept on hand to meet benefit obligations and other operating expenditures, and to act in their fiduciary capacity as board members in the administration and payment of monthly retirement benefits and expenses.

6. CASH FLOW PLANNING

The LITHPPF shall prepare an estimated cash flow projection annually on a calendar year basis. This cash flow projection should be presented and discussed at the Board's October meeting. The cash flow projection at a minimum should include the following:

- Estimated cash balance for 12 months
- Estimated employee contributions
- Estimated employer contributions
- Estimated pension benefits
- Estimated administrative expenses
- Estimated monthly net inflow and outflow
- Estimated monthly funding request/money transfer

The cash forecast should be based on conservative assumptions about both the cash receipts and disbursement portions of the analysis, and these assumptions should be reviewed and updated regularly.

The cash forecast should be updated periodically by the Board to ensure sufficient liquidity and actual cash flow results should be compared with the forecast projections.

Lake in the Hills

POLICE PENSION FUND INVESTMENT POLICY

1.0 **Policy:**

The fundamental goal of the Lake in the Hills Police Pension Fund is to provide retirement and other benefits to fund participants. As such, the Pension Fund Board of Trustees (Board) will invest fund assets solely in the interests of fund participants and beneficiaries for the exclusive purpose of providing retirement and other benefits to fund participants and beneficiaries. This criterion applies to specific investments and to the entire investment policy established by the Fund.

2.0 **Scope:**

This investment policy applies to the assets of the Police Pension Fund of the Village of Lake In The Hills.

3.0 **Prudence:**

Investments shall be made with care, skill, prudence and diligence that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims. (Prudent Expert Rule)

3.1 The standard of prudence to be used shall be the “**prudent investment expert**” standard and shall be applied in the context of managing an overall portfolio. Pension Fund Trustees acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 **Investment Philosophy:**

The Board believes that fund assets should be managed in a fashion that reflects the fund’s unique liabilities and funding resources, incorporating accepted investment theory and related, empirical evidence. Specifically, the Board has adopted the following principles:

- A. That Asset allocation is the key determinant of return and, therefore, commitments to asset allocation targets will be maintained through a disciplined rebalancing program.
- B. That diversification, both by and within asset classes, is the primary control element.
- C. That passive fund portfolios are suitable investment strategies, especially in highly efficient markets.
- D. That “market timing” (defined as bringing an asset class below policy minimums) is precluded as an acceptable investment strategy.

5.0 **Goals and Objectives:**

For total fund assets, the goals are as follows:

- A. To preserve the actuarial soundness of the fund in order to meet benefit obligations.
- B. A long-term (one to two market cycles) rate of return, net of fees, in excess of the policy benchmarks.

- C. The assets of the Fund shall be invested in a manner that is consistent with generally accepted standards of fiduciary responsibility. The safeguards which would guide a prudent expert will be observed. All transactions undertaken on behalf of the Fund will be for the sole benefit of the participants and beneficiaries of the Fund.
- D. The investment portfolio shall remain sufficiently liquid to meet all cash flow requirements that may be reasonably anticipated.
- E. The investment program shall be operated in conformance with federal, state and other legal requirements.

6.0 Delegation of Authority:

Authority to manage the Village of Lake In The Hills Police Pension Fund’s investment program is derived from the following:

The establishment of investment policies is the responsibility of the Police Pension Board (Board). Management and administrative responsibility for the investment program is the responsibility of the Board who has established written procedures for the operation of the investment program as defined in this policy. Included procedures are: safekeeping, delivery vs. payment, investment accounting, wire transfer agreements and collateral/depository agreements. Such procedures include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Board. The Board shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Board may from time to time amend the written procedures in a manner not inconsistent with this policy or with state statutes.

7.0 Ethics and Conflicts of Interest:

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Officers shall refrain from undertaking personal investment transaction with the same individual with whom business is conducted on behalf of their entity.

8.0 Authorized Financial Dealers and Institutions:

The Village Treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness. All authorized firms must be “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except on a qualified public depository as established by state statutes.

Unless transacted by the Investment Manager, all financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following:

- audited financial statements
- proof of Financial Industry Regulatory Authority (FINRA) certification
- proof of state registration
- completed broker/dealer questionnaire
- certification of having read the Pension Fund’s investment policy
- depository contracts

A periodic review of the financial condition and registration of qualified bidders will be conducted by the Treasurer.

9.0 **Authorized and Suitable Investments:**

The Fund may invest in any type of security allowed for in Illinois Compiled Statutes (40 ILCS 5/1-113.1-113.4a) as it may be amended from time to time. Approved investments include:

- 1) Interest bearing direct obligations of the United States of America.
- 2) Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest by the United States of America.
- 3) Interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America. For the purposes of this Section, "agencies of the United States of America" includes: (i) the Federal National Mortgage Association; (ii) federal land banks, federal intermediate credit banks, federal farm credit banks, and any other entity authorized to issue direct debt obligations of the United States of America under the Farm Credit Acts of 1971 or amendments to that Act; (iii) federal home loan banks and the Federal Home Loan Mortgage Corporation; and (iv) any agency created by Act of Congress that is authorized to issue direct debt obligations of the United States of America.
- 4) Interest bearing savings accounts or certificates of deposit, issued by federally chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.
- 5) Interest bearing savings accounts or certificates of deposit, issued by State of Illinois chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or

instrumentalities of the federal government.

- 6) Investments in credit unions, to the extent that the investments are insured by agencies or instrumentalities of the federal government.
- 7) Interest bearing bonds of the State of Illinois.
- 8) Pooled interest bearing accounts managed by the Illinois Public Treasurer's Investment Pool (Illinois Funds) in accordance with the Deposit of State Moneys Act and interest bearing funds or pooled accounts of the Illinois Metropolitan Investment Fund, or funds managed, operated, and administered by banks, subsidiaries of banks, or subsidiaries of bank holding companies in accordance with the laws of the State of Illinois.
- 9) Interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
- 10) Direct obligations of the State of Israel, subject to the conditions and limitations of item (5.1) of Section 1-113.
- 11) Money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies; provided that the portfolio of the money market mutual fund is limited to the following: (i) bonds, notes certificates of indebtedness, treasury bills, or other securities that are guaranteed by the full faith and credit of the United States of America as to principal and interest; (ii) bonds, notes debentures, or other similar obligations of the United States of America or its agencies; and (iii) short term obligations of corporations organized in the United States with assets exceeding \$400,000,000, provided that (A) the obligations mature no later than 180 days

from the date of purchase, (B) at the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest classifications, and (C) the obligations held by the mutual fund do not exceed 10% of the corporation's outstanding obligations.

12) General accounts of life insurance companies authorized to transact business in Illinois.

13) (1) separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stocks, bonds, or money market instruments; (2) separate accounts that are managed by insurance companies authorized to transact business in Illinois, and are comprised of real estate or loans upon real estate secured by first or second mortgages; (3) Mutual Funds that meet the following requirements: (i) the mutual fund is managed by an investment company and registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953; (ii) the mutual fund has been in operation for at least 5 years; (iii) the mutual fund has total net assets of \$250 million or more, and; (iv) the mutual fund is comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments; and (4) through an investment adviser, invest a portion of the assets in common and preferred stocks authorized for investments of trust funds under the laws of the state of Illinois. The stocks must meet all of the following requirements: (a) the common stocks are listed on a national securities exchange or board of trade (as defined in the federal Securities Exchange Act of 1934 and set forth in Section 3.G of the Illinois Securities Law of 1953) or quoted in the national Association of Securities Dealers Automated Quotation

System National Market System (NASDAQN MS), (b) the securities are of a corporation created or existing under the laws of the United States or any state, district, or territory thereof and the corporation has been in existence at least 5 years, (c) the corporation has not been in arrears on payment of dividends on its preferred stock during the preceding 5 years, (d) the market value of stock in any one corporation does not exceed 5% of the cash and invested assets of the pension fund, and the investments in the stock of any one corporation do not exceed 5% of the total outstanding stock of that corporation, (e) the straight preferred stocks or convertible preferred stocks are issued or guaranteed by a corporation whose common stock qualifies for investment by the board, (f) the issuer of the stocks has been subject to the requirements of Section 12 of the federal Securities Exchange Act of 1934 and has been current with the filing requirements of Sections 13 and 14 of that Act during the preceding 3 years.

14) Corporate Bonds managed through an investment advisor must meet all of the following requirements:

(1) The bonds must be rated as investment grade by one of the two largest rating services at the time of purchase.

(2) If subsequently downgraded below investment grade, the bonds must be liquidated by the manager from the portfolio within 90 days after being downgraded.

15) In addition to the items in Section 13 above, the pension fund may invest an additional portion of its assets in common and preferred stocks and mutual funds.

(a) The stocks must meet all of the following requirements:

(1) The common stocks must be listed on a national

securities exchange or board of trade (as defined in the Federal Securities Exchange Act of 1934 and set forth in paragraph G of Section 3 of the Illinois Securities Law of 1953) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System.

- (2) The securities must be of a corporation in existence for at least 5 years.
 - (3) The market value of stock in any one corporation may not exceed 5% of the total outstanding stock of that corporation.
 - (4) The straight preferred stocks or convertible preferred stocks must be issued or guaranteed by a corporation whose common stock qualifies for investment by the board.
- (b) The mutual funds must meet the following requirements:
- (1) The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.

The fund's total investment in separate accounts and mutual funds shall not exceed 65% of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Division of Insurance of the Illinois Department of Financial and Professional Regulation.

Except for pecuniary interests permitted under subsection (f) of Section 3-14-4 of the Illinois Municipal Code or under Section 3.2 of the Public Officer Prohibited Practices Act, no person acting as treasurer or financial officer or who is employed in any similar capacity by or for a public agency may do any of the following:

- have any interest, directly or indirectly, in any investments in which the agency is authorized to invest.
- have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments.
- receive, in any manner, compensation of any kind from any investments in which the agency is authorized to invest.

Any public agency may also invest any public funds in a Public Treasurers' Investment Pool (Illinois Funds) created under Section 17 of the State Treasurer Act. Any public agency may also invest any public funds in a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.

To the extent a public agency has custody of funds not owned by it or another public agency and does not otherwise have authority to invest such funds, the public agency may invest such funds as if they were its own. Such funds must be released to the appropriate person at the earliest reasonable time, but in no case exceeding 31 days, after the private person becomes entitled to the receipt of them. All earnings accruing on any investments or deposits made pursuant to the provisions of this Act shall be credited to the public agency by or for which such investments or deposits were made, except as provided otherwise in Section 4.1 of the State Finance Act or the Local Governmental Tax Collection Act, and except where by specific statutory provisions such earnings are directed to be credited to and paid to a particular fund.

10.0 **Collateralization:**

It is the policy of the Fund and in accordance with the GFOA's Recommended Practices on the Collateralization of Public Deposits (attachment 1), the Fund requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. The Fund will accept any of the following assets as collateral:

- Government Securities
- Obligations of Federal Agencies
- Obligations of Federal Instrumentalities

(The Fund reserves the right to accept/reject any form of the above named securities.)

The Fund also requires that all depositories that hold the Fund's deposits in excess of the FDIC limit must provide and sign a Collateralization Agreement (attachment 2).

The amount of collateral provided will not be less than 110% of the fair market value of the net amount of public funds secured. The ratio of fair market value of collateral to the amount of funds secured will be reviewed monthly, and additional collateral will be required when the ratio declines below the level required and collateral will be released if the fair market value exceeds the required level. Pledged collateral will be held in safekeeping, by an independent third party depository, or the Federal Reserve Bank of Boston designated by the Fund and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of the pledged assets without an authorized signature from the Fund.

11.0 **Safekeeping and Custody:**

All fixed income security transactions entered into by the Fund shall be conducted on a delivery-verses-payment (DVP) basis. Securities will be held by one third party custodian designated by the Treasurer and Board, and evidenced by safekeeping receipts plus any tri-party arrangements utilized by mutual funds and/or

repurchase agreements. If an independent third party custodian is not used, an excess SIPC policy is required naming the Fund as the insured.

12.0 **Diversification and Risk:**

In order to reduce the risk of default, the investment portfolio of the Fund shall not exceed the following diversification limits unless specifically authorized by the Board:

- No nonbank financial institution shall hold more than 40% of the Fund's investment portfolio, exclusive of U.S. Treasury securities in safekeeping, unless an excess SIPC policy is in place naming the fund as insured.
- Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution.
- Deposits in the Illinois Public Treasurer's Investment Pool (Illinois Funds) shall not exceed 50% of the Fund's investment portfolio.
- Brokered certificates of deposit shall not exceed 25% of the Fund's investment portfolio.
- Equities:
 - International – minimum of 3%.
 - Large Cap – minimum of 50%.
 - Mid Cap – minimum of 3%.
 - Small Cap – minimum of 3%.
 - Other – minimum of 0%
 - Growth to Value split – 50%/50% plus or minus 10%.
- Bonds: The fund shall seek to minimize credit risk by investing in investment grade corporate bonds as well as US Government securities.

13.0 **Equity Selection Criteria:**

The following criteria will be used in selecting an Equity Fund for investment consideration. Criteria may be added to, deleted from, or modified as

agreed by the Board provided at a minimum all statutory requirements are met.

Equity selection criteria include style, manager longevity, fund longevity, MorningStar rating, net asset size, performance over comparable index, consistency of style, positive risk adjusted return and competitive fees.

- **Style:** The style will be consistent with the asset allocation mix as previously identified.
- **Manager Longevity:** The lead manager must have a minimum of five years managing the fund. Consistency of the underlying team should be documented.
- **Fund Longevity:** The fund must have been in existence for at least five years.
- **Net Asset Size:** The net asset size of the individual equity fund must be at least \$500,000,000.
- **Consistency of Style:** The fund must demonstrate a five-year consistency of style. Minimal “style drifting” will be accepted.
- **Positive Risk Adjusted Return:** The fund will demonstrate a five-year positive risk adjusted return.
- **Competitive Fees:** Annual expenses, consulting fees, front load, transaction costs and all other fees associated with the purchase and maintenance of the investment will be competitive as compared to like investments. All fees will be fully disclosed.

- **Sustainability Factors:** Pursuant to 40 ILCS 5/1-113.6 and 1-113.17, the Lake in the Hills Police Pension Fund will include material, relevant, and decision-useful sustainability factors that may be considered by the Pension Bond within the bounds of financial and fiduciary prudence, in evaluating investment decisions.

These factors consist of but are not limited to:

- a. Corporate governance and leadership factors
- b. Environmental factors
- c. Social capital factors
- d. Human capital factors
- e. Business model and innovation factors

14.0 **Rebalancing Policy:**

The primary purpose of rebalancing is to ensure that the Fund adheres to its strategic asset allocation, which is the Fund’s explicit statement of its investment approach. Secondly, historical analysis of portfolio returns when rebalancing is used, indicates that rebalancing reduces volatility and may add modest value, in comparison to a similar portfolio that is not rebalanced.

To rebalance its portfolio cost-effectively, the Fund will carry out rebalancing in a hierarchical fashion. First, employee and employer contributions and withdrawals of cash will be used to maintain target allocations. Second, when capital distributions are required, income from dividends and interest payments will be used to re-establish target allocations. Third, manager securities will be liquidated from the over-funded manager(s) until the target allocations are met.

The Fund will review the portfolio annually for rebalancing and no more frequently than quarterly. Rebalancing shall be within the ranges as outlined in Section 12: Diversification.

15.0 **Internal Controls:**

The Board is responsible for establishing and maintaining an internal control structure designed to insure that the assets of the Fund are protected from loss, theft or misuse. The internal control

structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management.

Accordingly, the Board shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of telephone transactions for investments and wire transfers
- Development of a procedure for making wire transfers

16.0 **Performance Standards:**

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis. Over the investment horizon established in this statement, it is the goal to meet or exceed: The return of 35% Barclay's Intermediate Government Credit Index and 65% Russell 3000.

16.1 **Performance Benchmarks-Fixed:**

The fixed income assets shall be invested in one of two distinct strategies; (1) actively managed utilizing a professional

money manager, and (2) internally, utilizing a passive strategy that is managed per the policies and procedures established by the Board. The goal of the Board, over a market cycle, shall be to meet or exceed the returns of the Barclay's Intermediate Government Credit Index.

16.2 **Performance Benchmarks - Equities:**

The goal of each investment manager of a mutual fund/separate account, over the investment horizon, shall be to:

- 1) Meet or exceed the market index, or blended market index, that most closely correspond to the style of investment management
- 2) Display an overall level of risk in the portfolio which is consistent with the risk associated with the benchmark specified above. Risk will be measured by the standard deviation of quarterly returns.

17.0 **Investment Manager Performance Review and Evaluation:**

Performance reports generated by the Investment Consultant shall be compiled at least quarterly and communicated to the Trustees for review. The investment performance of total portfolios as well as asset class components will be measured against commonly accepted performance benchmarks. Consideration shall be given to the investment objectives, goals and guidelines as set forth in this statement. The Trustees intend to evaluate the portfolio(s) over at least a three year period, but reserve the right to terminate a manager for any reason including the following:

- Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.

- Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.
- Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

18.0 **Reporting:**

The Treasurer shall prepare an investment report at least quarterly. The report should be provided to the Police Pension Board. The report will include the following:

- A listing of individual securities held at the end of the reporting period.
- Average weighted yield to maturity of portfolio on Fund investments as compared to applicable benchmarks.
- Listing of investments by maturity date.
- The percentage of the total portfolio which each type of investment represents.
- The percentage of the total portfolio which each institution is holding.
- The percentage of the total portfolio broken down by defined maturity periods.
- Principal and type of investment by fund.

18.1 **Marking to Market:**

A statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility. Review should be consistent with the GFOA Recommended Practice on Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools (attachment 3).

19.0 **Investment Policy Adoption:**

The Fund's investment policy shall be adopted by resolution of the Lake in the Hills Police Pension Fund. This policy shall be reviewed on an annual basis and any modifications made thereto must be approved by the Police Pension Board and refiled with the Division of Insurance of the Illinois Department of Financial and Professional Regulation.



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Finance

SUBJECT: Ordinance Approving a Budget Amendment to the Operating Budget for the Fiscal Year Ending December 31, 2024 for Professional Accounting Services

EXECUTIVE SUMMARY

Over the past year from September 2023 to September 2024, the Finance Department has had vacancies in three key positions within the department. Those vacancies were:

- Accountant – 9 weeks from September 17, 2023 to November 17, 2023
- Assistant Finance Director – 11+ weeks from October 31, 2023 to January 19, 2024
- Accountant – 6 weeks from August 19, 2024 to September 27, 2024

Furthermore, two of those vacancies came with no advance notice for which to plan for a recruitment process to replace the departing employee.

The combined period of vacancy for all three positions was in excess of 26 weeks or more than a half year of a full-time position. Considering the Finance Department consists of only five employees to begin with, coupled with the fact that a new accountant typically takes between six months and one year to fully comprehend their role and responsibilities in a new job while learning to work with a new software system, and the fact that the remaining employees are tasked with more responsibilities during vacancies, the department has fallen behind in some key areas such as preparing for the annual audit, issuing monthly Treasurer's Reports, and making meaningful contributions to the annual budget process as examples.

Typically, when a vacancy occurs, the remaining employees pick up the slack while a new employee is onboarded and trained at which time the backlog of work gradually decreases. However, when those vacancies occur consecutively, as they have recently, the backlog becomes significant and additional assistance is required to restore workloads to normal levels.

Staff is proposing the elimination of the entire backlog by the end of the fiscal year and is estimating that would take approximately 600 hours of professional accounting assistance through the end of the year. This compares to the number of work hours lost due to the three vacancies which totaled 1,064 hours.

FINANCIAL IMPACT

In order to completely eliminate the entire backlog by December 31, 2024, an estimated 600 hours at \$67 per hour or \$40,200 would be required as part of a budget amendment. This compares to the \$70,302 that would have been paid out in salaries and benefits to the three prior employees for the 1,064 hours of unpaid time that resulted from the accumulated effect of each vacancy.

ATTACHMENTS

1. Budget Amendment Ordinance

RECOMMENDED MOTIONS

Motion to pass An Ordinance Approving a Budget Amendment to the Operating Budget for the Fiscal Year Ending December 31, 2024.

VILLAGE OF LAKE IN THE HILLS

Ordinance 2024-_____

**An Ordinance Approving a Budget Amendment
to the Operating Budget for the
Fiscal Year Ending December 31, 2024**

WHEREAS, the Village of Lake in the Hills, McHenry County, Illinois (the "Village"), is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions to regulate for the protection of the public health, safety, morals, and welfare, as granted in the Constitution of the State of Illinois; and

WHEREAS, the Village of Lake in the Hills acting by and through its President and Board of Trustees has previously approved an Operating Budget for the Fiscal Year ending December 31, 2024 as part of Ordinance No. 2023-42; and

WHEREAS, the Village of Lake in the Hills acting by and through its President and Board of Trustees has previously approved three Operating Budget Amendments for the Fiscal Year Ending December 31, 2024 as part of Ordinance No. 2024-03, Ordinance No. 2024-05, and Ordinance No. 2024-25; and

WHEREAS, it is necessary and appropriate to delete, add to, or otherwise change certain sub-classes within object classes and certain object classes themselves in said Operating Budget as provided in Exhibit A to this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the VILLAGE OF LAKE IN THE HILLS, McHenry County, Illinois, as follows:

SECTION 1: That amendments to the Operating Budget for the Fiscal Year Ending December 31, 2024 are hereby approved in the form and content as provided in Exhibit A which is attached hereto and made a part thereof.

SECTION 2: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4: This Ordinance shall be in full force and effect immediately from and after its passage by a vote of two-thirds of the corporate authorities and approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Passed this 14th day of November, 2024 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 14TH DAY OF NOVEMBER, 2024

Village President, Ray Bogdanowski

(SEAL)

ATTEST: _____
Village Clerk, Shannon DuBeau

Published:

Exhibit A

11-12-2024

**Village of Lake in the Hills
Budget Transfer/Amendment
For the Fiscal Year Ending December 31, 2024**

Account Number	Account Description	Current Budget Amount	Revised Budget Amount	Increase (Decrease)	Amendment Description
GENERAL FUND					
Finance Department Expenditures					
100.16.00-60.04	Professional Accounting	41,183	81,383	40,200	Professional Accounting Services Due to Staff Vacancies
	Total - Finance Department Expenditures			40,200	



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Finance

SUBJECT: Resolution Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed with Bond Proceeds

EXECUTIVE SUMMARY

A reimbursement resolution is an official declaration by a municipal bond issuer of an intent to use proceeds from a future tax-exempt bond issue to reimburse specific project expenditures incurred prior to the issuance of the bonds. This resolution is necessary to ensure compliance with federal tax regulations regarding reimbursement.

Adoption of the resolution will allow the Village, at the time the bonds are issued, to reimburse itself for expenditures incurred for the project described in Exhibit A (“construction of a new Police Facility including utilities, parking, roadway and site improvements, furniture, fixtures, equipment, and software”) from and after 60 days preceding the date of such adoption up to the amount set forth in the resolution (\$13,835,000).

For example, adoption of the reimbursement resolution on November 14 would allow the Village to reimburse itself for project expenditures incurred from and after September 15. Adoption of the reimbursement resolution does not obligate the Village to issue any bonds or limit the par amount of any such bond issue. Adoption of the resolution provides authority for the Village to use bond proceeds for reimbursement.

FINANCIAL IMPACT

None

ATTACHMENTS

1. Resolution Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed with Bond Proceeds

RECOMMENDED MOTION

Motion to approve A Resolution Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed with Bond Proceeds

VILLAGE OF LAKE IN THE HILLS

RESOLUTION NO. 2024-_____

**A Resolution Expressing Official Intent regarding
certain Capital Expenditures to be reimbursed from
proceeds of an Obligation to be issued by the
Village of Lake in the Hills, McHenry County, Illinois**

WHEREAS, the President and Board of Trustees (the "Village Board") of the Village of Lake in the Hills, McHenry County, Illinois (the "Village"), has developed a list of capital projects described in Exhibit A hereto (the "Projects"); and

WHEREAS, all or a portion of the expenditures relating to the Projects (the "Expenditures") (i) have been paid within the 60 days prior to the passage of this Resolution or (ii) will be paid on or after the passage of this Resolution; and

WHEREAS, the Village reasonably expects to reimburse itself for the Expenditures with the proceeds of an obligation:

NOW, THEREFORE, Be it ordained by the President and Board of Trustees of the Village of Lake in the Hills, McHenry County, Illinois, as follows:

SECTION 1. Incorporation of Preambles. The Village Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

SECTION 2. Intent to Reimburse. The Village reasonably expects to reimburse the Expenditures with proceeds of an obligation.

SECTION 3. Maximum Amount. The maximum principal amount of the obligation expected to be issued to reimburse the Expenditures is \$13,835,000.

SECTION 4. Ratification. All actions of the officers, agents and employees of the Village that are in conformity with the purposes and intent of this Resolution, whether taken before or after the adoption hereof, are hereby ratified, confirmed and approved.

SECTION 5. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or

unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 6. Repeal. All resolutions or ordinances or parts thereof in conflict herewith be and the same are hereby repealed.

SECTION 7. This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

Passed this 14th day of November, 2024 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 14TH DAY OF NOVEMBER, 2024

Village President, Ray Bogdanowski

(Seal)

ATTEST: _____
Village Clerk, Shannon DuBeau

Published:

EXHIBIT A

DESCRIPTION OF CAPITAL PROJECTS

Construction of a new Police Facility including utilities, parking, roadway and site improvements, furniture, fixtures, equipment, and software.



REQUEST FOR BOARD ACTION

MEETING DATE: November 14, 2024

DEPARTMENT: Community Development

SUBJECT: An Ordinance Establishing a Self-Storage Facility Rental Tax

EXECUTIVE SUMMARY

Unlike retail establishments, self-storage facilities do not create or provide many jobs and do not generate sales tax revenue (minus trivial amounts for boxes/packing supplies if sold on site). Additionally, they do not generate consistent foot traffic for an area to result in increased spending to surrounding businesses. While the facilities do generate property tax revenue, they often do not generate the same EAV as retail or industrial uses. Further, the Police Department has documented a significant number of responses to existing outdoor vehicle storage businesses in the Village. Therefore, staff has proposed a Self-Storage Facility Rental Tax that would generate revenue in lieu of sales tax for the rental of separately divided indoor storage rooms and outdoor vehicle parking spaces. The proposed tax would also help to offset the increased costs to the Village for Police services at these businesses.

The proposed tax would be collected by the operator of the storage facility from the tenant when collecting the rent for use of the facility, and every tenant would be given a bill that lists the rent due and shows the tax separately. Then, by the 20th day of each calendar month, each storage facility in the Village would file with the Finance Department a tax payment and a monthly tax return showing tax receipts from the prior month. The Village would have the discretion to request additional evidence from the facility owner documenting reported rentals to substantiate correct payment, and owners found in violation of the code could be assessed daily fines.

Like sales tax, a Self-Storage Facility Rental Tax would be added to the gross price for the rental or leasing of storage accommodations. The proposed ordinance includes a 5% tax, which matches the percentage currently collected for this tax by the City of McHenry, the Village of Carpentersville, the Village of Willowbrook, and the Village of Plainfield. To offset the administrative costs associated with the collection of the tax, the storage facility operators would have the option to deduct 5% of the collected amount as an offset. Such a tax would be imposed upon the rental or leasing of all self-storage facility accommodations and all outdoor vehicle storage facility accommodations in the Village. Therefore, the tax would apply to traditional self-storage buildings containing separately divided storage rooms, and would also apply to outdoor vehicle storage spaces.

On October 25, 2024 staff mailed notices to all six self-storage facilities and all six outdoor vehicle storage facilities in the Village, to provide an approximately three-week notice that the tax would be considered by the Village on November 14. Such notice is not required, but was provided to be in keeping with the spirit of open and transparent government.

FINANCIAL IMPACT

Staff estimates, based on the number of units and recent pricing in the several locations in Lake in the Hills, that this tax would generate approximately \$120,000 annually. Just like with sales tax, not all storage units or spaces are rented by Lake in the Hills residents or businesses, so some portion of the revenues would be money coming into the community from non-residents. As proposed in the draft ordinance, the Self-Storage Facility Rental Tax would take effect on January 1, 2025, and taxes collected by the facility owners in January would be due to be paid to the Village on or before the 20th day of February.

ATTACHMENTS

1. Ordinance

RECOMMENDED MOTION

Motion to approve an ordinance amending Chapter 34, adding Section 34.13, imposing a new tax on the tenant's privilege of renting non-residential real property for storage of personal property and vehicles.

VILLAGE OF LAKE IN THE HILLS

ORDINANCE NO. 2024 - ____

An Ordinance Amending Chapter 34, Adding Section 34.13, Imposing a New Tax on the Tenant's Privilege of Renting Non-Residential Real Property for Storage of Personal Property and Vehicles (Self-Storage Facility Rental Tax)

WHEREAS, the Village of Lake in the Hills, McHenry County, Illinois (the "Village"), is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions as granted in the Constitution of the State of Illinois; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the rental from Self-Storage Facilities and Outdoor Vehicle Storage Facilities within the Village boundaries imposes costs on the Village associated with their operations, and unlike retail businesses in the community, such facilities contribute only marginal sales tax revenue to the Village to help defray those costs; and

WHEREAS, the Village President and Board of Trustees find that it is in the interests of the health, safety and welfare of the Village and its residents to impose a tax on the privilege of leasing real property for the storage of personal property and vehicles;

NOW, THEREFORE, BE IT ORDAINED by the Village President and Board of Trustees of the Village of Lake in the Hills, McHenry County, Illinois, pursuant to its home rule authority, as follows:

SECTION 1: The Corporate Authorities find that the statements in the foregoing preambles are true, and the statements are incorporated into, and made a part of, this Ordinance as the findings of the Village President and Board of Trustees.

SECTION 2: Chapter 34, "Occupation and Other Taxes", of the Lake in the Hills Municipal Code is hereby amended to create a new Section 34.13 entitled "Self-Storage Facility Rental Tax" which shall read as follows:

34.13 Self-Storage Facility Rental Tax

A. TAX IMPOSED: There is hereby imposed upon the rental or leasing of any Self-Storage Facility accommodations and Outdoor Vehicle Storage Facility accommodations in the Village of Lake in the Hills, a "Self-Storage Facility Rental Tax," at the rate of five percent (5%) of the gross rental or leasing charge. This tax shall be in addition to all other taxes.

B. DEFINITIONS: As used in this Section 34.13, the following terms shall have the following meanings:

1. "Self-Storage Facility" means a building or structure containing separately divided storage rooms offered for lease or rent to members of the public for the storage of a) personal property, or b) motor vehicles, boats, RVs and other vehicles.
2. "Outdoor Vehicle Storage Facility" means an outdoor area offered for lease or rent to members of the public for the storage of motor vehicles, boats, RVs, trailers and other vehicles. Such facilities may be the principal use on a property, or may be operated accessory to a Self-Storage Facility.

C. TAX TO BE BORNE BY TENANT: The ultimate incidence of and liability for payment of the Self-Storage Facility Rental Tax shall be borne by the lessee or tenant of any Self-Storage Facility accommodations or Vehicle Storage Facility accommodations. Nothing herein shall be construed to impose a tax upon the occupation of leasing or operating Self-Storage Facilities or Outdoor Vehicle Storage Facilities.

D. SELF-STORAGE FACILITY TO SECURE TAX FROM TENANT: The Self-Storage Facility Rental Tax shall be collected by the owner, manager or operator of the Self-Storage Facility or Outdoor Vehicle Storage Facility from the lessee or tenant when collecting the price, charge or rent for use of the facility. Every lessee or tenant shall be given a bill, invoice, receipt, or other statement or memorandum of the price, charge or rent payable upon which the Self-Storage Facility Rental Tax shall be stated, charged, and shown separately.

E. REGISTRATION AND RECORDS TO BE KEPT: Every owner, manager, or operator of a Self-Storage Facility or Vehicle Storage Facility in the Village shall register with the Village on forms provided by the Finance Department. Each such owner, manager, or operator shall have the duty to maintain complete and accurate books, records and accounts showing the gross receipts for the

lease or rental of any Self-Storage Facility accommodations or Vehicle Storage Facility accommodations within the Village of Lake in the Hills and showing the prices, rents or charges made or charged, and occupancies taxable under this Self-Storage Facility Rental Tax. The Village Administrator, or their designee, shall at all reasonable times have full access to said books and records.

F. PAYMENT OF TAX TO VILLAGE

1. On or before the 20th day of each calendar month, using tax return forms provided by the Finance Department, each Self-Storage Facility and Outdoor Vehicle Storage Facility in the Village shall file, with the Finance Department, a tax payment and a monthly tax return showing tax receipts with respect to the Self-Storage Facility Rental Tax from the prior month.
2. The Village, in its discretion, may request from the Self-Storage Facility or Outdoor Vehicle Storage Facility evidence documenting reported rentals. Any failure to supply documentation to substantiate correct payment shall be deemed a violation of this Code.
3. If any owner, manager or operator of a Self-Storage Facility or Outdoor Vehicle Storage Facility fails to collect the Self-Storage Facility Rental Tax, the owner shall remain liable for the Self-Storage Facility Rental Tax not collected and shall pay the amount of the Self-Storage Facility Rental Tax due to the Village in accordance with this Chapter.
4. Every owner, manager or operator of a Self-Storage Facility or Outdoor Vehicle Storage Facility in the Village shall be entitled to retain five percent (5%) of all tax monies collected to defray the administrative burdens and costs associated with serving as tax collector for the Village. The retained percentage shall be shown as a debit on the tax form filed with the Village with the remainder of the tax revenues turned over to the Village together with the corresponding tax return.

G. ENFORCEMENT, PENALTIES, FINES, AND INTEREST, SUSPENSION OF LICENSE

1. Any Self-Storage Facility or Outdoor Vehicle Storage Facility that fails to collect, to timely

pay all taxes due pursuant to this Chapter or who files a false tax return with the Village shall be subject to the provisions of Section 34.09 of this Chapter regulating taxpayer rights, including, but not limited to, those provisions related to interest, penalties, late fees, and failure to file.

2. Any person found guilty of violating any provision of this Section may, in addition to any tax or penalty due, be assessed a fine up to seven hundred fifty dollars (\$750.00) for each offense. Each day a violation continues to exist shall be a separate offense. Citations for violations of this Section shall be adjudicated by the Village's Code Hearing Department in accordance with Chapter 15 of the Lake in the Hills Municipal Code, or at the choice of the Village, by any court of competent jurisdiction.
3. The failure to comply with any obligation imposed by this Section shall also be grounds for the suspension or revocation of any license or permit issued by the Village to the Self-Storage facility or Outdoor Vehicle Storage Facility.
4. The Village Administrator, or their designee, may prescribe reasonable rules, definitions and regulations to collect this tax.

SECTION 3: Prior to the effective date of this Ordinance, the Village Administrator, or their designee, shall take appropriate steps to notify Self-Storage Facilities and Outdoor Vehicle Storage Facilities within the Village of this new ordinance.

SECTION 4: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 5: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 6: This Ordinance shall be in full force and effect on January 1, 2025, following its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Passed this 14th day of November, 2024 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 14TH DAY OF NOVEMBER, 2024

Village President, Ray Bogdanowski

(SEAL)

ATTEST: _____
Village Clerk, Shannon DuBeau

Published: _____