

**AGENDA
REGULAR SESSION
HIGHLAND CITY COUNCIL
CITY HALL, 1115 BROADWAY
TUESDAY, JANUARY 21, 2020
7:00 PM**

CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE:

MINUTES:

1. **MOTION** – Approve Minutes of January 6, 2020 Regular Session (attached)
2. **MOTION** – Approve Minutes of January 10, 2020 Special Session (attached)

PROCLAMATION:

Mayor Michaelis will read a document proclaiming January 26-February 1, 2020, as School Choice Week.

PUBLIC FORUM:

A. Citizens' Requests and Comments:

1. Brain Freezin' for a Reason -5K Run Request – Stacey Howard, Race Chairman (attached)

**Anyone wishing to address the Council on any subject may do so at this time.
Please come forward to the microphone.**

B. Requests of Council:

C. Staff Reports:

1. Mallord Hubbard and Breann Speraneo will give information on the upcoming 2020 Census.

NEW BUSINESS:

- A. **MOTION** – Bill #20-06/RESOLUTION Selecting an Underwriter and Authorizing Certain Preliminary Actions in Connection with the Proposed Issuance by the City of Its General Obligation Debt Certificates (Limited Tax), Series 2020 (attached)
- B. **MOTION** – Bill #20-07/RESOLUTION Engaging the Services of WM Financial Strategies, as Financial Advisor, and Gilmore & Bell, P.C., as Bond Counsel, in Connection with the Issuance of Certain Bonds (attached)
- C. **MOTION** – Bill #20-08/RESOLUTION Authorizing and Directing Application to the Madison County, Illinois, Sustainability Grant Program for Highland Silver Lake Park Improvements (attached)
- D. **MOTION** – Bill #20-09/RESOLUTION Authorizing Application for Park Enhancement Program Funding from Madison County Parks and Recreation Commission (attached)

Continued

- E. **MOTION** – Bill #20-10/RESOLUTION Waiving Normal & Customary Bidding Procedures and Authorizing Purchase of ITRON Electric Meters from Anixter Power Solutions, LLC (attached)
- F. **MOTION** – Bill #20-11/RESOLUTION Waiving Normal & Customary Bidding Procedures and Authorizing Purchase of Polyphase Meter Communication Modules with Associated Licenses from Tantalus Systems, Inc. (attached)
- G. **MOTION** – Bill #20-12/RESOLUTION Approving Vivicast System Participation Agreement with Viacom Media Networks, A Division of Viacom International Inc., On Its Own Behalf and on Behalf of Black Entertainment Television, LLC, for City of Highland d/b/a Highland Communication Services (attached)
- H. **MOTION** – Bill #20-13/RESOLUTION Approving Change Order #3, Submitted by Plocher Construction Company, Inc. for Water Reclamation Facility Improvements Pursuant to Contract Number PW-06-17 (attached)
- I. **MOTION** – Bill #20-14/RESOLUTION Authorizing and Directing Application to the 2020 Surface Transportation Block Grant Program (STP) for the Purpose of Reconstructing Sixth Street from Olive Street to Poplar Street (Phase 3) (attached)
- J. **MOTION** – Award Bid #PW-22-19, for Purchase of One 1-Ton Truck for Street and Alley (attached)

REPORTS:

- A. **MOTION** – Approve Warrant #1153 and #1154 (attached)

EXECUTIVE SESSION:

The City Council will conduct an Executive Session pursuant to the Illinois Open Meetings Act, citing the following exemptions: **5 ILCS 120/2(c)(5) to discuss purchase of real property.**

ADJOURNMENT:



Anyone requiring accommodations, provided for in the Americans with Disabilities Act (ADA), to attend this public meeting, please contact Dylan Stock, ADA Coordinator, by 3:00 PM on Tuesday, January 21, 2020.

PROCLAMATION

Whereas, all children in the City of Highland should have access to the highest-quality education possible; and,

Whereas, the City of Highland recognizes the important role that an effective education plays in preparing all students to be successful adults; and

Whereas, quality education is critically important to the economic vitality of the City of Highland; and

Whereas, the City of Highland is home to a multitude of excellent education options from which parents can choose for their children, in addition to families who educate their children in the home; and

Whereas, educational variety not only helps to diversify our economy, but also enhances the vibrancy of our community; and

Whereas, our area has many high-quality teaching professionals who are committed to educating our children; and

Whereas, School Choice Week is celebrated across the country by millions of students, parents, educators, schools and organizations to raise awareness of the need for effective educational options.

Now, therefore, I, Joseph R. Michaelis, the Mayor of the City of Highland, Illinois, do hereby proclaim January 26 – February 1, 2020 as

SCHOOL CHOICE WEEK

and call this observance to the attention of all of our citizens.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Highland to be affixed this 21st day of January, 2020.

Mayor

CITY OF HIGHLAND-SPECIAL EVENT APPLICATION

Name of Event: Brain Freezin for a Reason 1-mile/5K Run/Walk

Type/Purpose of Event: Festival Race Other Fundraiser Service Parade
 Demonstration Other (please specify): _____

Location of Event: Highland - Frank Watson Parkway

Sponsoring Organization/Individual: Fundraiser for the Alzheimer's Association

Event Responsible Party: Stacey Howard
Address: 13512 Meghan Lane Highland
Phone(s): 618-407-1515
Email: staceyhoward1130@gmail.com

Secondary Contact: Jaimee Cox
Address: 13518 Meghan Lane Highland
Phone(s): 618-830-8102
Email: nursejaimee@hotmail.com

Date(s) of Set-up: June 20, 2020 / 6:30 a.m.

Event Date(s) / Times:
June 20, 2020
8 a.m.

Date(s) of Tear-down: June 20, 2020

Expected Attendance: 150

Alcohol License Required: Yes No
If yes, application received: Yes No

Sound Amplification System utilized: Yes No
If yes, hours of operation: 8 a.m. / 10 a.m.

Funding request of the Council: Yes No
Amount requested and purpose: _____

City Services Requested – Please attach additional documents (maps, detailed information), where needed. Write “Not applicable” if no services requested.

(Directors must initial behind requests)

Street Dept: Signage, Barricades, Street Closures (Specify): **Public Works Director:** _____
See attached map/notes

Electric Dept: Electrical Service, Lighting (Specify): **Electric Dept. Director:** _____
N/A

Public Safety: Security, First Aid, Traffic Control (Specify): **Public Safety Director:** _____
We will need temporary barricades for Frank Watson Pkwy, but we will provide volunteers to staff all areas.

HCS Services: Wi-Fi or other technological needs (Specify): **HCS Director:** _____
N/A

Other City Services: Restrooms, City Officials (Specify): **Department:** _____
N/A

Application Checklist (Attachments):

Deputy Clerk Initial
Upon receipt or waiver:

- Certificate of Insurance: (attached)** _____
 - Must be General liability
 - \$1 Million per occurrence/\$2 million aggregate
 - City named as “additional insured” If Event is on city property.** we will purchase insurance from same company: see attached*
- Site Plan Rendering** _____
** see attached map/notes*

- Evacuation Plan _____
- Fire Plan _____
* In case of emergency, we will contact local fire dept.
- Parking Plan _____
* we will use Park + Ride parking lot
- Schedule City Council Meeting for announcement _____
* will be scheduled once application is approved
- Date:** _____
- Application Submittal (60+ days) _____

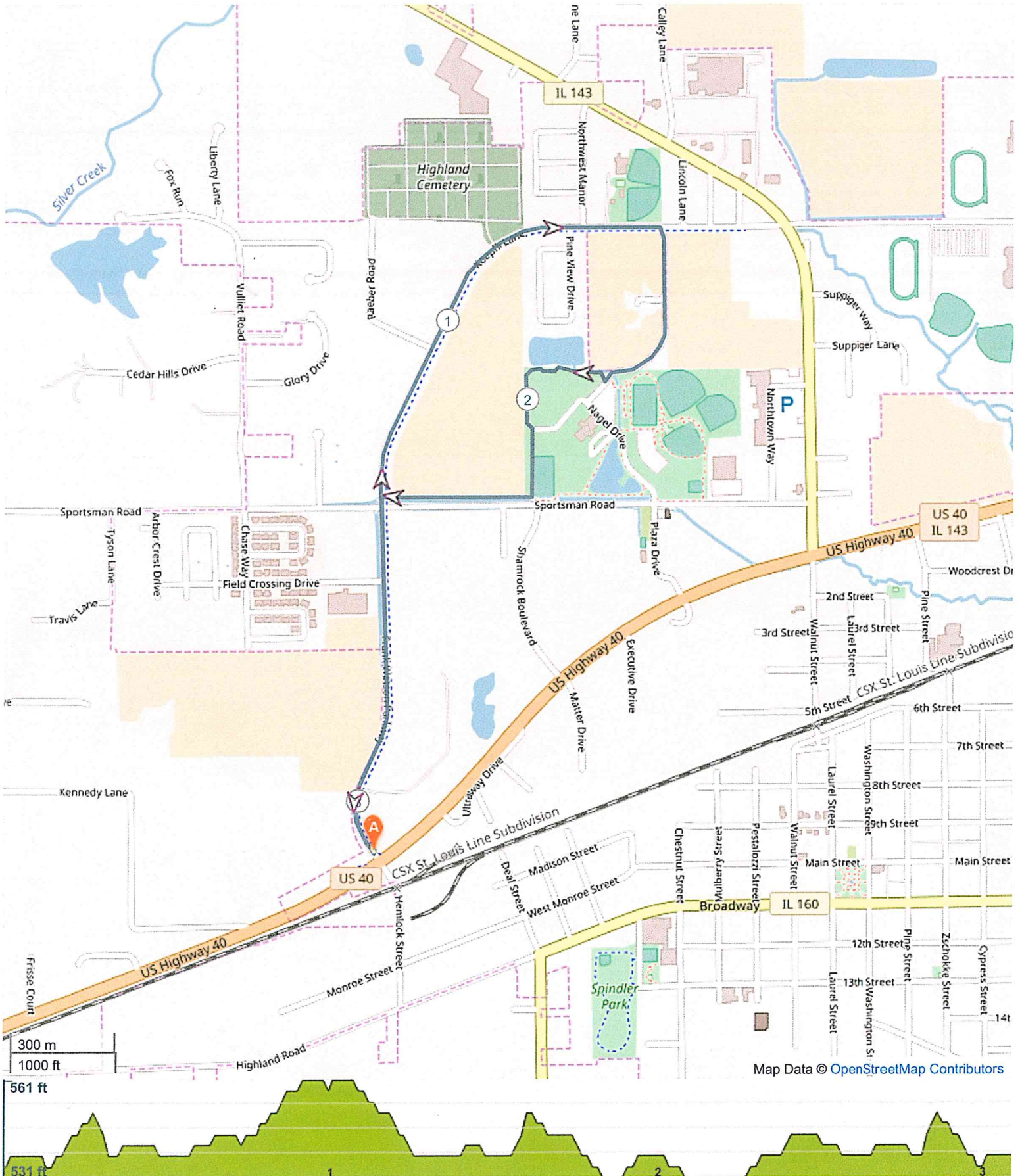
Indemnification and Hold Harmless Agreement

In consideration for the issuance of a Special Event permit, the Sponsor shall agree to indemnify, hold harmless and defend the City of Highland, its officers and employees against any claim for loss, damage or expense sustained by any person on account of injury, death or property damage occurring by reason of or arising out of the Special Event. By issuing a Special Event permit, the City of Highland makes no guarantees and assumes no liability for the safety of participants or spectators at the Special Event.

Stacy R Howard _____ Nov 6, 2019 _____
 Event Sponsor Responsible Party Date

 City Manager Date

BFFAR 5K Option 123



See attached notes

1-MILE & 5K ROUTE

The 1-mile walk be an up-and-back half-mile route on Frank Watson Parkway.

The 5k will be on Frank Watson Parkway until route turns onto path around the Korte Recreation Center, with participants remaining on the path along Sportsman Road, before turning back onto Frank Watson Parkway and finishing where race began.

Requesting that Frank Watson Parkway be closed 7-10 a.m. for this event. However, we will have volunteers stationed at Sportsman Road to allow traffic to pass through the intersection safely.

AFFILIATED INSURANCE AGENCIES

A division of Cameron-Weis Insurance Agency

32 ZBINDEN LANE

HIGHLAND, ILLINOIS 62249

618-654-4416 - Phone

618-654-4417 -Fax

Email: lisah@affiliatedinsag.com

INVOICE

CUSTOMER NAME AND ADDRESS

06/06/2019

BRAIN FREEZIN FOR A REASON
c/o Stacey Howard
13512 Mehgan Lane
Highland, IL 62249

POLICY PERIOD: 06/22/2019-06/22/2019

COVERAGE

PREMIUM

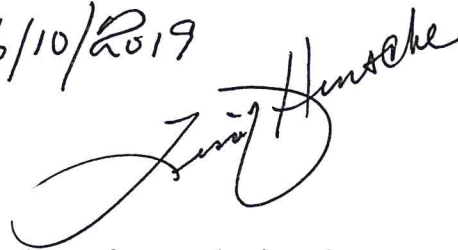
General Liability \$1,000,00/\$2,000,000
Medical Payments \$1,000

\$195.00

TOTAL PREMIUM PAID:

06/10/2019

\$195.00



Thank you for your business!

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF HIGHLAND, ILLINOIS,
SELECTING AN UNDERWRITER AND AUTHORIZING
CERTAIN PRELIMINARY ACTIONS IN CONNECTION WITH
THE PROPOSED ISSUANCE BY THE CITY OF ITS GENERAL
OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES
2020.**

WHEREAS, the City of Highland, Illinois (the “City”) has requested proposals from qualified firms to provide underwriting and placement agent services in connection with the proposed issuance by the City of its General Obligation Debt Certificates (Limited Tax), Series 2020 (the “Certificates”) to acquire, construct, renovate, equip and furnish public safety facilities; and

WHEREAS, Commerce Bank (the “Underwriter”) has submitted its proposal to serve as underwriter for the Certificates (the “Proposal”), a copy of which is attached hereto as **Exhibit A**; and

WHEREAS, Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”) requires all underwriters and placement agents of municipal securities to provide certain written disclosures to prospective issuers and to obtain timely written acknowledgement of such disclosures; and

WHEREAS, the City has received certain disclosures from the Underwriter (the “G-17 Disclosures”), a copy of which is attached hereto as **Exhibit B**; and

WHEREAS, after receipt and review of the Proposal and the recommendation thereof by the City’s staff and municipal advisor, the City wishes to accept the Proposal, to select the Underwriter as underwriter for the Certificates, and to authorize the Mayor, City Manager or Director of Finance to acknowledge receipt of the G-17 Disclosures;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND, ILLINOIS, AS FOLLOWS:

Section 1. Acceptance of Proposal. The Proposal is hereby accepted and Commerce Bank is hereby designated as underwriter for the Certificates in accordance with and subject to the terms of the Proposal, all subject to final approval of the transaction by the City Council at a later date, such approval to be in the complete discretion of the City Council. Nothing herein shall bind or obligate the City to pursue the issuance and sale of the Certificates.

Section 2. Preliminary Official Statement. The City Council hereby approves the Preliminary Official Statement in substantially the form attached hereto as **Exhibit C**, with such changes and additions thereto as the Mayor deems necessary or appropriate. The appropriate officers and representatives of the City are hereby authorized to use such document in connection with the sale of the Certificates. The City hereby deems the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1). To enable the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the appropriate officers of the City are hereby authorized, if requested, to provide the Underwriter a letter or certification to that effect, and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Underwriter to comply with the requirements of such rule.

Section 3. Receipt of G-17 Disclosures. The Mayor, City Manager or Director of Finance is hereby authorized, on behalf of the City Council, to acknowledge receipt of the G-17 Disclosures.

Section 4. Effective Date. This Resolution shall be in full force and effect immediately upon its passage.

Passed by the City Council of the City of Highland, Illinois, and deposited and filed in the office of the City Clerk on the ___ day of _____, 2020, the roll call vote being taken by ayes and noes and entered upon the legislative record as follows:

AYES:

NOES:

ABSENT:

APPROVED:

Joseph R. Michaelis
Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm
City Clerk
City of Highland
Madison County, Illinois

EXHIBIT A
PROPOSAL

EXHIBIT B
G-17 DISCLOSURES

EXHIBIT C

PRELIMINARY OFFICIAL STATEMENT



Friday, January 10, 2020

City of Highland, Illinois
Ms. Kelly Korte
kkorte@highlandil.gov

WM Financial Strategies
Ms. Joy Howard
jhoward@wmfinancialstrategies.com

**RE: City of Highland, Illinois
Proposal for Underwriter of Approximately
\$8,800,000 Debt Certificates, Series 2020**

1. Proposal Summary

Commerce Bank intends to underwrite the debt certificates.

2. Underwriting Discount or Fees

Commerce Bank would propose the following underwriting fees:
0.990% of the par amount or approximately \$ 87,120.00.

3. Interest Rates and Yields

b) Proposals with Rate Indexing

1. See Exhibit A; Rates are indicative of pricing as of 01/06/2020, indexed to February Interpolated AAA MMD as of 01/03/2020. Indexing expires 30 days after the expected closing date of 2/10/2020.
2. The date that will be used as the sale date for purposes of indexing is flexible. Commerce Bank is willing to select a date prior to the sale that can be agreed upon by the underwriting team and the municipal advisor.
3. See Exhibit A.
4. No such conditions will apply.
5. Commerce Bank would be willing to waive upward variance.

4. Costs of Issuance and Underwriter's Counsel

Commerce Bank is prepared to accept required costs of issuance. Commerce Bank does not intend to employ an underwriter's counsel.

5. Redemption of Certificates and Certificate Terms

Commerce Bank would propose a Par call on 02/01/2027

6. Underwriting or Purchase Agreement

Commerce Bank does not anticipate any further approvals.

7. Issue Price

Commerce Bank is willing to provide a certification regarding reoffering prices on the Debt certificates on the sale date. Commerce Bank will abide by the hold the price rule on maturities where less than 10% sold.

8. MSRB's Rule G-17

If selected as underwriter, Commerce Bank is willing to provide G-17 disclosures.

9. Good Faith Deposit

Commerce Bank is willing to provide a 2% good faith deposit on the day the underwriting agreement is adopted by the City.

10. Personnel Contacts:

Matt Koch
Commerce Bank
AVP; Municipal Underwriting
1000 Walnut Street; Suite 300
Kansas City, Missouri 64106
(816) 234-2450
Matthew.Koch@CommerceBank.com

Mat Mower
Commerce Bank
Senior Vice President
8000 Forsyth; Suite 1200
St. Louis, Missouri 63105
(314) 746-3619
Mat.Mower@CommerceBank.com

Sincerely,



Matt Koch
Commerce Bank Capital Markets Group

Disclosure:

Commerce Bank is providing the information contained in this document for discussion purposes only in anticipation of serving as underwriter to the borrower. The primary role of Commerce Bank, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the borrower and Commerce Bank. Commerce Bank has financial and other interests that differ from those of the borrower. Commerce Bank is acting in its own interest. Commerce Bank is not acting as a municipal advisor, financial advisor or fiduciary to the borrower or any other person or entity. Commerce Bank does not owe a fiduciary duty pursuant to Section 15B of the Securities and Exchange Act of 1934 to the borrower. The information provided is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. The borrower should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the borrower would like a municipal advisor in this transaction that has legal fiduciary duties to the borrower, then the borrower is free to engage a municipal advisor to serve in that capacity.

Exhibit A – Pricing

City of Highland, Illinois
 Proposal for Underwriter of Approximately
 \$8,800,000 Debt Certificates, Series 2020

<u>Maturity</u>	<u>Amt(M)</u>	<u>Coupon</u>	<u>Yield</u>	<u>YTM</u>	<u>Price</u>	<u>February Interpolated AAA MMD as of 01/03/2020</u>	<u>Yield Spread to MMD</u>	<u>YTM Spread to MMD</u>
02/01/21	340	4.000	1.250	1.250	102.656	0.98	0.270	0.270
02/01/22	345	4.000	1.330	1.330	105.187	0.98	0.350	0.350
02/01/23	355	4.000	1.340	1.340	107.732	0.99	0.350	0.350
02/01/24	365	4.000	1.410	1.410	109.977	1.01	0.400	0.400
02/01/25	370	4.000	1.550	1.550	111.686	1.05	0.500	0.500
02/01/26	380	4.000	1.670	1.670	113.196	1.12	0.550	0.550
02/01/27	390	3.000	1.800	1.800	107.832	1.17	0.630	0.630
02/01/28	400	2.000	2.000	2.000	100.000	1.24	0.760	0.760
02/01/29	410	2.500	2.000	2.102	103.239	1.31	0.690	0.792
02/01/30	425	3.000	2.000	2.270	106.479	1.37	0.630	0.900
02/01/31	435	3.000	2.050	2.361	106.144	1.45	0.600	0.911
02/01/32	450	3.000	2.150	2.469	105.477	1.49	0.660	0.979
02/01/33	460	3.000	2.250	2.561	104.816	1.54	0.710	1.021
02/01/34	475	3.000	2.350	2.642	104.158	1.6	0.750	1.042
02/01/35	490	3.500	2.150	2.785	108.700	1.64	0.510	1.145
02/01/36	505	3.500	2.250	2.870	108.026	1.68	0.570	1.190
02/01/37	525	3.500	2.350	2.946	107.358	1.72	0.630	1.226
02/01/38	540	3.500	2.450	3.015	106.694	1.75	0.700	1.265
02/01/40	1,140	3.000	3.090	3.090	98.665	1.81	1.280	1.280

Deal Name HIGHLAND IL DEBT CERT State		
Underwriter's Discount		
	\$/Bond	Total \$
Takedown	9.750	85,800.00
Xtra UW Disc	0.150	1,320.00
Total	9.900	87,120.00
Insurance		0.00
Par Amount		8,800,000.00
Prem/Disc		491,530.05
Gross Prod		9,291,530.05
UW Disc		(87,120.00)
Insurance		(0.00)
Purchase Price		9,204,410.05
Dollar Price		104.5956
NIC @ Settle		2.79268
TIC @ Settle		2.70937
NIC @ Dated		2.79268
TIC @ Dated		2.70937



UNDERWRITER (G-17) DISCLOSURES

January 10, 2020

Re: Disclosures Pursuant to MSRB Rule G-17 and Underwriter Status

City of Highland

Issued by City of Highland

Approximately \$8,800,000.00 - City of Highland General Obligation Debt Certificates Limited Tax Series 2020

Dear Honorable Joseph R. Michaelis:

Commerce Bank (“Commerce”) intends to serve as an underwriter and not as a financial advisor or municipal advisor, in connection with the issuance of the above referenced bond issue (the “Bonds”).

The purpose of this letter agreement is to provide to you, as the Mayor of City of Highland, (the “Borrower”), certain required disclosures in connection with the Financing. The disclosures are required by MSRB Rule G-17, as set forth in MSRB Notice 2012-25 (May 7, 2012).

As part of our services as underwriter, Commerce may provide information concerning the structure, timing, terms, and other similar matters concerning the issuance of any bonds.

Disclosures Concerning the Underwriter’s Role

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.
- (ii) The underwriter’s primary role is to place bonds in an arm’s-length commercial transaction with the Borrower. The underwriter has financial and other interests that differ from those of the Borrower.
- (iii) Unlike a municipal advisor, the underwriter does not have a fiduciary duty to the Borrower under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Borrower without regard to its own financial or other interests.
- (iv) The underwriter has a duty to place any bonds at a fair and reasonable price and must balance that duty with its duty to sell the bonds to investors at prices that are fair and reasonable.
- (v) The underwriter will, if applicable, review any official statement for the Financing in accordance with, and as part of, its respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.

Disclosures Concerning the Underwriter’s Compensation and Conflicts of Interest

As underwriter, Commerce will be compensated by an underwriter’s fee that will be set forth in a bond purchase agreement entered into in connection with the issuance of any bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest because

Commerce may have an incentive to recommend to the Borrower a transaction that is unnecessary or to recommend that the size of the transaction be larger than necessary.

Additional Conflicts Disclosures

Commerce has not identified any additional potential or actual material conflicts that require disclosure.

If you or any other Borrower officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to me. In addition, you should consult with the Borrower's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Depending on the structure of the transaction that the Borrower decides to pursue, or if potential or actual material conflicts are identified, we may be required to send you additional disclosures. At that time, we will seek your acknowledgement of receipt of any such additional disclosures, may require an amendment to this letter agreement, and/or may require a separate underwriter agreement.

No Fiduciary Duty

By signing below, the Borrower acknowledges and agrees that: (i) Commerce has not assumed any advisory or fiduciary responsibility to the Borrower with respect to the transaction contemplated hereby, and the discussions, undertakings and procedures leading thereto, irrespective of whether Commerce or any of its affiliates has provided other services or is providing other services to the Borrower on other matters; and (ii) the underwriter is relying on the underwriter exclusion provided under the Securities Act.

Choice of Law

This letter agreement shall be construed and given effect in accordance with the laws of the State of Missouri.

Binding Effect; Assignment

This letter agreement shall be binding upon and inure to the benefit of the Borrower and Commerce, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

Entire Agreement

This letter agreement contains the entire agreement between the parties relating to the subject matter herein described. Any oral or written representations or modifications concerning this letter agreement shall be of no force or effect except for a subsequent modification in writing signed by the parties hereto.

It is our understanding that you have the authority to bind the Borrower by contract with us. If our understanding is incorrect, please notify me immediately. By signing below, you represent and warrant that you are a duly authorized officer of the Borrower with the authority to legally bind the Borrower.

We are required, under MSRB Rule G-17, to seek your acknowledgement that you have received this disclosure letter. Accordingly, please sign and return the enclosed copy of this letter to me at the address

below set forth. Or, if you prefer, you may forward an electronic copy of your acknowledgement to my e-mail address reflected below.

We look forward to the opportunity to work with you in connection with the Financing.

Sincerely,



Mat Mower
Commerce Bank
8000 Forsyth Blvd, Suite 1200
St. Louis, MO 63105
Office: (314) 746-3619
Email: Mat.Mower@CommerceBank.com

Acknowledged and Agreed:

Signature

Date

Print Name

Title

New Issue — Bank Qualified

Moody's Rating: Aa3

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Certificates (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purpose, and is not an item of tax preference for purposes of the federal alternative minimum tax. The Certificates are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. The interest on the Certificates is not exempt from present State of Illinois income taxes. See "TAX MATTERS" in this Official Statement.

\$8,800,000*

CITY OF HIGHLAND, ILLINOIS
GENERAL OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES 2020

Dated: Date of Original Issuance

Due: February 1, as shown below

The Certificates will be issued in fully registered form, as herein described, and, when issued, will be registered in the name of Cede & Co., as Certificate owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Certificates. Purchases of the Certificates will be made in book-entry only form. The Certificates will be issued in the denomination of \$5,000 or any authorized integral multiple thereof. Purchasers will not receive certificates representing their interest, in Certificates purchased. See "APPENDIX B - BOOK-ENTRY ONLY SYSTEM" herein.

Interest on the Certificates will be payable semiannually on February 1 and August 1, commencing August 1, 2020. So long as DTC or its nominee, Cede & Co., is the Certificate Owner, such payments will be made by BOKF, N.A., St. Louis, Missouri, as paying agent and registrar (the "Paying Agent" and the "Registrar") directly to such Certificate owner. Disbursement of such payments to the DTC Participants is the responsibility of DTC. Distribution of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein.

The Certificates evidence indebtedness incurred under an Installment Purchase Agreement (the "Agreement") with the Treasurer of the City, as the "nominal seller" as authorized under Section 17 of the Local Government Debt Reform Act of the State of Illinois. The Certificates constitute valid and legally binding general obligations of the City payable from any general or special funds legally available and annually appropriated for this purpose. No statutory authority exists for the levy of a separate tax in addition to other City taxes or the levy of a special tax unlimited as to rate or amount to pay debt service payments due on the Certificates.

The Certificates are subject to redemption prior to maturity in the manner, at the times and at the redemption prices described under the caption "THE CERTIFICATES - Redemption."

MATURITY SCHEDULE*

Table with 8 columns: Year, Amount, Rate, Yield, Year, Amount, Rate, Yield. Rows show maturity amounts from 2021 to 2030, increasing from \$340,000 to \$580,000.

The Certificates are offered subject to prior sale, when, as and if issued by the City and accepted by the Underwriter, and subject to the approval of their legality by Gilmore & Bell, P.C., Edwardsville, Illinois, Bond Counsel. It is expected that the Certificates will be available for delivery on or about February 10, 2020.

[THE UNDERWRITER]

This Official Statement is dated _____.

* Subject to Change

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor may there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman, or other person has been authorized by the City, the Municipal Advisor, or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City, the Municipal Advisor, or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Certificates by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The information set forth herein has been furnished by the City and from other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the Municipal Advisor or the Underwriter. This Official Statement is not to be construed as a contract or agreement between the City or the Underwriter and the purchasers or owner of any of the Certificates. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and are not representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information that is based on the City's beliefs as well as assumptions made by and information currently available to the City. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

This Official Statement is in a form deemed final by the City for purposes of Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended, except for certain information to be omitted pursuant to Rule 15c2-12(B)(1).

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CITY OF HIGHLAND, ILLINOIS

MAYOR

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COUNCIL MEMBERS

Peggy Bellm
John Hipskind

Rick J. Frey
Sarah Sloan

CITY MANAGER

Mark Latham

DIRECTOR OF FINANCE

Kelly Korte

CITY ATTORNEY

Sandberg Phoenix & von Gontard P.C.
Edwardsville, Illinois

BOND COUNSEL

Gilmore & Bell, P.C.
Edwardsville, Illinois

MUNICIPAL ADVISOR

WM Financial Strategies
St. Louis, Missouri

SUMMARY STATEMENT

This Summary Statement is expressly qualified by the entire Official Statement, which is provided for the convenience of potential investors and which should be reviewed in its entirety by potential investors.

- Issuer:** The City of Highland, Illinois (the “City”) is the issuer. Additional information regarding the City is included under the caption “THE CITY.”
- Issue:** The Certificates consist of \$8,800,000* aggregate principal amount of General Obligation Debt Certificates (Limited Tax), Series 2020.
- Dated Date:** The Certificates will be dated as of the date of original issuance thereof.
- Interest:** Interest on the Certificates will be payable semiannually on August 1 and February 1, beginning on August 1, 2020.
- Principal Due:** Principal will be due on the dates and in the amounts shown on the cover page of this Official Statement.
- Redemption:** The Certificates maturing on or after February 1, _____ are subject to redemption prior to their stated maturity, in whole or in part at the option of the City on February 1, _____ and thereafter, at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.
- Purpose:** The Certificates are being issued for the purpose of remodeling a fire station and constructing a public safety facility. See the caption “THE PROJECTS”
- Security:** The Certificates are valid and legally binding general obligations and a debt of the City. Although the intent of the City is to pay for the Certificates from the Business District Sales Taxes (See “THE CITY’S FINANCES – Governmental Funds – Revenue Sources – Sales Taxes -Business District Sales Taxes”), the payment of the principal of and the interest on the Certificates is payable from any funds of the City legally available and annually appropriated for that purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The City represents and warrants in the Certificate Ordinance that the total amount due the nominee-seller under the installment purchase agreement, as described hereinafter (the “Agreement”), together with all other indebtedness of the City, is within all statutory and constitutional debt limitations. The City agrees in the Certificate Ordinance to appropriate funds of the City annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement. There is no statutory authority, however, for the levy of a separate tax in addition to other City taxes or the levy of a special tax unlimited as to rate or amount to pay the installments of principal and interest due on the Certificates. The Certificates shall be valid whether or not an appropriation with respect

thereto is included in any annual or supplemental budget adopted by the City.

Rating: Moody's Investors Service, Inc. has assigned the Certificates a rating of "Aa3". See "RATING" herein.

Paying Agent and Certificate Registrar: BOKF, N.A., St. Louis, Missouri.

Delivery: The Certificates are expected to be delivered on or about February 10, 2020.

Book-Entry Form: The Certificates will be registered in the name of Cede & Co., as nominee for the Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Certificates.

The City's Finances: The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The City's Fiscal Year commences on May 1 of each year and ends on the following April 30 ("Fiscal Year"). Additional information regarding the City's finances are contained under the caption "THE CITY'S FINANCES."

**OFFICIAL STATEMENT
OF THE
CITY OF HIGHLAND, ILLINOIS
Relating to
\$8,800,000*
GENERAL OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES 2020**

INTRODUCTION

This Official Statement including the cover page and Appendices hereto is provided by the City of Highland, Illinois (the "City") to furnish information in connection with its issuance of \$8,800,000* principal amount of General Obligation Debt Certificates (Limited Tax), Series 2020 (the "Certificates").

The Certificates are issued pursuant to applicable sections of the Illinois Municipal Code, as supplemented and amended and the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (the "Debt Reform Act") (particularly Section 17 thereof concerning among other things, "debt certificates") (collectively, the "Act"). The City will enter into an Installment Purchase Agreement dated as of _____ (the "Agreement") with the Treasurer of the City as the "nominal seller" under Section 17 of the Debt Reform Act. The City will authorize the issuance of the Certificates by an ordinance expected to be approved by the City on February 3, 2020 (the "Certificate Ordinance"). The Certificates are being issued for the purpose of remodeling a fire station and constructing a new public safety facility (the "Projects"). The use of Certificate proceeds is described in greater detail herein under the caption "THE PROJECTS."

The City represents and warrants to appropriate funds annually and in a timely manner to make payments on the Certificates when due. **No statutory authority exists for the levy of a separate tax in addition to other City taxes or the levy of a special tax unlimited as to rate or amount to pay debt service payments due on the Certificates.**

Brief descriptions of the Certificates, the City, the Projects, and the Certificate Ordinance are included in this Official Statement. Such descriptions and summaries do not purport to be comprehensive or definitive. All references herein to the Certificate Ordinance and any other documents are qualified in their entirety by reference to such documents, and references herein to the Certificates are qualified in their entirety by reference to the form thereof included in the Certificate Ordinance.

THE CERTIFICATES

Authority

The Certificates are issued pursuant to applicable sections of the Illinois Municipal Code, as supplemented and amended, and the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (the "Debt Reform Act") (and particularly Section 17 thereof concerning among other things, "debt certificates") (collectively, the "Act"). The City will enter into an Installment Purchase Agreement, dated as of _____ (the "Agreement") with the Treasurer of the City as the "nominal seller" under Section 17 of the Debt Reform Act. The City has authorized the issuance of the Certificates by an ordinance expected to be approved by the City on February 3, 2020 (the "Certificate Ordinance").

* Subject to Change

Description

The Certificates will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as Certificate owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Certificates. Purchases of the Certificates will be made in book-entry only form. The Certificates will be issued in the denomination of \$5,000 or any authorized integral multiple thereof. Purchasers will not receive certificates representing their interest in Certificates purchased. See “APPENDIX B - BOOK-ENTRY ONLY SYSTEM.”

The Certificates are dated as of the date of original issuance and will mature on February 1 in each of the years and in the amounts shown on the cover page of this Official Statement. Interest on the Certificates will be payable semiannually thereafter on February 1 and August 1, commencing August 1, 2020. So long as DTC or its nominee, Cede & Co., is the Certificate owner, such payments will be made by Paying Agent and Registrar directly to such Certificate owner. Disbursement of such payments to the DTC Participants is the responsibility of DTC. Distribution of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described in the Official Statement under the caption “THE CERTIFICATES.”

Security

The Certificates evidence indebtedness of the City incurred under the Agreement between the City and the Treasurer of the City as the nominal seller. The Agreement provides for the City's purchase of certain property through installment payments of principal and interest.

The Agreement and the related Certificates shall be valid and legally binding general obligations and a debt of the City. Although the intent of the City is to pay for the Certificates from the Business District Sales Taxes (See “THE CITY’S FINANCES – Governmental Funds – Revenue Sources – Sales Taxes -Business District Sales Taxes”), the payment of the principal of and the interest on the Certificates is payable from any funds lawfully available to the City for the payment of such obligations and debt and annually appropriated for that purpose.

The Seller shall not have any obligation or liability to the owners of the Certificates with respect to the payment, when due, of installment payments by the City or with respect to the performance by the City of any other covenant made by the Seller in the Agreement.

THE OBLIGATION OF THE CITY TO MAKE PAYMENTS OF PRINCIPAL AND INTEREST UNDER THE AGREEMENT IS A LIMITED TAX GENERAL OBLIGATION OF THE CITY PAYABLE FROM ANY FUNDS LEGALLY AVAILABLE AND ANNUALLY APPROPRIATED FOR THAT PURPOSE. NO STATUTORY AUTHORITY EXISTS FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER CITY TAXES OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY DEBT SERVICE DUE ON THE CERTIFICATES. PAYMENTS DUE ON THE AGREEMENT ARE NOT SECURED BY ANY INTEREST IN THE PROJECTS THAT ARE THE SUBJECT OF THE AGREEMENT.

Redemption

The Certificates maturing on or after February 1, _____ are subject to redemption prior to their stated maturity, in whole or in part at the option of the City on February 1, ____ and thereafter, at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date. When less than all of the outstanding Certificates are to be redeemed, such Certificates shall be redeemed in such order of maturity as shall be determined by the City, and the Certificates of less than a full maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

In the event the City elects to exercise its option to redeem the Certificates pursuant to the Certificate Ordinance, written notice shall be given by first class mail to the registered owner of the Certificates to be redeemed at least 30 days, but not more than 60 days, prior to the redemption date.

THE CITY OF HIGHLAND

General

The City was incorporated in 1884. Located in west central Illinois, the City is approximately 40 miles east of downtown St. Louis and covers an area of approximately 7.4 square miles. The City is a growing community characterized by a strong commercial/industrial base, an abundance of public facilities and a variety of attractive residential developments. Founded in 1831 by Swiss settlers, the City functioned as a service center for the surrounding agricultural areas. Today, the City not only retains this function, but also serves as an attractive suburban community providing employment opportunities both locally and in other employment centers in the St. Louis Metropolitan Area. The City's proximity to interstate highways and to a major metropolitan area has enhanced the City's growth and development and offers residents the opportunity to enjoy the cultural advantages of a large metropolitan area.

Government

The City is a non-home rule municipality and operates under the Managerial Form of municipal government. The legislative body of the City is the City Council. The City Council is comprised of the Mayor and four council members. Council members are elected at large to serve four-year terms, one-half of which expire biennially. The Mayor, elected at large to serve a four-year term, is the presiding officer of the City Council. The Mayor has the right to vote on all questions coming before the City Council, but has no power to veto any ordinance, resolution or motion of the City Council.

The Mayor, with the advice and consent of the City Council, appoints the City Manager. The City Manager is the chief administrative officer of the City and is responsible for implementing council directives and policies, hiring all department heads, managing the administrative and operating functions of the government.

Employees

The City currently has 118 full-time and 177 part-time employees. City paramedics, electric linemen, police officers, telecommunicators, sergeants and operating engineers are members of one of six unions; the Fraternal Order of Police Labor Council ("FOP Patrol"), International Union of Operating Engineers ("IUOE"), International Brotherhood of Electrical Workers ("IBEW"), Fraternal Order of Police Labor Council-Sergeants ("FOP Sergeants"), Fraternal Order of Police Labor Council-Telecommunicators ("FOP Telecommunicators") or International Association of Firefighters ("IAFF"). Union contracts with the FOP Patrol, and FOP Telecommunicators expired on April 30, 2019 and a three-year contract is presently being negotiated. The contract with the IAFF expires on April 30, 2020, the contract with the IUOE expires on April 30, 2021 and the contracts with the IBEW and FOP Sergeants expire on April 30, 2022. The City has no record of a strike or labor dispute.

Pension Plan

City employees, except for policemen, are provided retirement benefits by the State of Illinois' State-administered Illinois Municipal Retirement Fund ("IMRF"), in which the City is required to participate. Pursuant to the Illinois Pension Code, the City is required to establish and maintain actuarial requirements of the fund.

Employees not qualifying for the Illinois Municipal Retirement Fund are considered “non-participating employees” and are covered under Social Security or the Police Pension Fund.

The annual City contribution rate is fixed by the State and provides for funding of prior service costs, including interest, as determined actuarially, over a future period of not more than 40 years. Pursuant to the Illinois Pension Code, the City is required to annually appropriate an amount sufficient to provide for its current contribution, including amounts required for contributions for Social Security purposes for covered employees. The City is authorized to levy a tax without voter approval, in an amount equal to the amount appropriated for such contributions.

Policemen receive pension benefits from the State-mandated, City-administered, Policemen’s Pension Fund. A mandatory tax levy is imposed on cities in Illinois for funding this plan. A detailed description of the funds is included in Note 7 to the Financial Statements included in APPENDIX A to this Official Statement.

Community Services

Utilities

Natural gas service is provided by Ameren Illinois. The City provides water, sewer, electric, telephone, internet and cable service. The following is a brief description of the waterworks, sewerage and electric systems.

The City’s waterworks facilities include a treatment plant, distribution facilities and storage facilities. Storage facilities, with a combined capacity of 2,950,000 gallons, consist of a 1 million gallon ground storage tank, a 1.5-million-gallon standpipe tank, a 200,000 gallon elevated storage tank, a 150,000 clear well and a 100,000 gallon clear well. The City’s treatment plant was upgraded in 1993 and has a maximum capacity to treat 4,200,000 gallons per day. Average daily demand is 1,221,000 gallons per day and peak demand is 2,100,000 gallons per day.

The City’s sewerage system includes a collection and distribution system and a water reclamation facility. The water reclamation facility was upgraded in 1998 and presently has a design capacity to treat an average of 1.6 million gallons of wastewater per day with peak loads up to 4 million gallons per day. The City’s average dry weather flow is 1.24 million gallons per day.

Electric production facilities serving the City are owned by the City or the Illinois Municipal Electric Agency. Residents obtain electrical service through the City-owned distribution system. The City is presently developing a broadband network using a Fiber-To-The-Premises system (the “FTTP System”) which is operated as a component of the City’s Electric System. Additional phases of the FTTP System have been constructed and, as of April 30, 2019, the FTTP System had approximately 2,230 customers.

Media

A weekly newspaper is published in the City. The City provides cable television through its FTTP System. Cable television in the City is also available from Charter Communications.

Within the City is the Louis Latzer Memorial Public Library. Encompassing 15,552 square feet, the library has approximately 30,000 adult books, 15,500 juvenile books, 3,200 DVDs, and 2,500 audiobooks and CDs.

Public Safety

The City's police department provides police protection throughout the corporate limits of the City. Services are provided by 20 full-time officers and 8 civilian employees. Community programs offered by the department include DARE, bicycle engraving and neighborhood watch groups.

The City's fire department (the "Department") provides services from two stations. Thirty volunteer firefighters serve the City. The Department is rated "4" by the Insurance Services Organization, among ratings ranging from 1 to 10 with 1 as the highest. This rating is based on several factors including the number of firefighters and their training, response time, firefighting equipment, the City's water system, and fire prevention programs of the Department.

Recreation Activities

There are numerous parks within and immediately adjacent to the City. The City owns and operates 11 parks, the largest of which is the Silver Lake Park which encompasses 460-acres of land surrounding a 740-acre lake. Recreational activities available at this park include fishing, boating, picnicking, archery, hiking and camping.

The other City parks encompass a combined total area of approximately 76-acres. Facilities at these parks include tennis courts, soccer fields, baseball diamonds, nature walks, a skate park, playground equipment and small children playground equipment. The parks offer supervised summer activities through full-time park and recreation leaders. The City also operates a public swimming pool and has a municipal band which offers weekly outdoor band concerts in the summer.

The City also owns a recreation center, the Korte Recreation Center, and a community building, the Weinheimer Memorial Building. The Korte Recreation Center is located on approximately 6.32-acres of a 27-acre site at Glik Park located in the City. The facility was opened in 2002, and has two gymnasiums, an indoor aquatic center with both a lap and lazy river function, an indoor walking and jogging track, an administrative office, a room for aerobics, and a state-of-the-art fitness center. The Weinheimer Memorial Building has a gymnasium and a senior center.

Privately owned parks include: Lindendale, owned by the Helvetia Sharpshooters Society since 1861; the Veterans of Foreign Wars Park, and; the Pistol and Rifle Club Park, which offers an indoor pistol range, and outdoor rifle and trap shooting ranges.

The Highland Country Club offers a nine-hole golf course, fishing, swimming, and dining facilities.

Medical

Within the City is St. Joseph's Hospital (the "Hospital"), a 25-bed acute care medical facility that provides a wide range of inpatient, outpatient and emergency services. Established more than 135 years ago, in August 2013, the Hospital opened a new campus consisting of a 75,000 square foot hospital and a 125,000 square foot Medical Office Building. Inpatient and outpatient services include surgery, specialty clinics, rehab, digital imaging, laboratory, wound care, cancer care, sleep center, and community health and education outreach programs.

The City provides ambulance service to an area encompassing approximately 280 square miles which encompasses the corporate limits of the City and five fire protection districts outside the City. The City's ambulance service maintains a fleet of three Advanced Life Support (Paramedic) ambulances, staffing two units 24-hours a day, 7 days a week with the third staffed for 12 hours a day every day.

Education

The public school system within the City is operated under the administration and control of the Highland Community Unit School District #5 (the “School District”) and the Southwestern Illinois Community College, a two-year community college district with a campus located in Belleville, Illinois 30 miles from the City. These districts are independent of the City, having their own elected or appointed officials, budgets and administrators. The districts are empowered to levy taxes, separate and distinct from those levied by the City.

The School District owns and operates 1 elementary school, 1 middle school and 1 high school in the City limits. In addition, there is a privately owned elementary and junior high school in the City.

In addition to Southwestern Illinois Community College, higher education is available at Southern Illinois University Edwardsville (“SIUE”), located approximately 23 miles from the City. SIUE provides undergraduate, graduate and professional programs for approximately 14,000 students on a 2,600-acre campus. SIUE has more than 273 areas of study.

Several other institutions of higher education are within a 35-mile radius of the City including McKendree University in Lebanon, Lewis and Clark College in Godfrey, Kaskaskia Community College in Centralia, Washington University in St. Louis, and Saint Louis University in St. Louis.

Economic and Demographic Data

Economy

The City is a growing community characterized by a strong commercial/industrial base, an abundance of public facilities and a variety of attractive residential developments. Founded in 1831 by Swiss settlers, the City functioned as a service center for the surrounding agricultural areas. Today, the City not only retains this function, but also serves as an attractive suburban community providing employment opportunities both locally and in other employment centers in the St. Louis Metropolitan Area. The City’s proximity to interstate highways and to a major metropolitan area has enhanced the City’s growth and development and offers residents the opportunity to enjoy the cultural advantages of a large metropolitan area.

The City currently has approximately 300 business establishments. The City’s retail activity is centered in four locations; the historic downtown and three strip shopping centers.

Transportation

There are four interstate highways which run through Madison County, two are within eight miles of the City (Interstate 55, and 270) and one (Interstate 70 running east and west across the United States) is immediately adjacent to the City. U.S. Route 40, running east and west, is the main artery through the City. Two railroads, the Chicago Northwestern and the Norfolk Southern, provide rail transportation and fixed route bus transportation in the City is provided by the Madison County Transit District.

Tri-City Regional Port District, located 40 miles west of the City, operates barge terminal facilities on the Mississippi River. Lambert-St. Louis International Airport, a major international airport located in St. Louis County, Missouri is approximately 45 miles from the City. Commercial air service is provided by St. Louis Regional Airport, a general aviation facility in Bethalto, Illinois approximately 30 miles from the City, and at MidAmerica Airport, located approximately 20 miles from at the City. The City is also served by two private general aviation airports, Highland Winet and Schaefer Metro East in Troy, the latter just 10 miles from the City.

Population

The following table sets forth population statistics for the City:

<u>Year</u>	<u>Population</u>
1980	7,122
1990	7,546
2000	8,438
2010	9,919

Source: United States Department of Commerce, Bureau of Census.

Major Employers

The largest employers located within the City are as follows:

<u>Name</u>	<u>Product or Service</u>	<u>Number of Employees</u>
Eaton Corporation	Industrial Support Systems	475
Basler Electric	Electrical Equipment Manufacturer	340
Highland C.U.S.D.	Education	330
City of Highland	Municipal Government	295
Wal-Mart Stores	Department Store	270
St. Joseph's Hospital	General Hospital	263
Faith Countryside Homes	Nursing/Assisted Living	117
Nutreco	Animal Food Provider	99
Apex Therapy	Physical Therapy	76
Highland Machine	Sheet Metal Fabrication	70

Source: City of Highland 2019 survey of employers.

Employment

According to the US Bureau of Census, 2013-2017 American Community Survey, 5-Year Estimates, the total civilian labor force of the City was 5,146 and 231 people were unemployed. This represents a 4.5% unemployment rate.

Housing

The following table sets forth certain statistics relating to housing for the City and, for comparative purposes, Madison County and the State of Illinois:

	Median Value of Owner <u>Occupied Housing</u>	% Built from <u>2000 or later</u>	% Built Before <u>1940</u>
City of Highland	\$146,900	24.0%	12.8%
Other Entities:			
Madison County	130,200	13.4	16.2
State of Illinois	179,700	12.7	21.8

Source: US Bureau of Census, 2013-2017 American Community Survey 5-Year Estimates.

Income

The following table sets forth certain income statistics for the City and, for comparative purposes, Madison County and the State of Illinois:

	Per Capita <u>Income</u>	Median <u>Family Income</u>	% Population Below <u>Poverty Level</u>
City of Highland	\$29,077	\$72,974	14.6%
Other Entities:			
Madison County	30,278	72,185	13.5
State of Illinois	32,924	76,533	13.5

Source: US Bureau of Census, 2013-2017 American Community Survey 5-Year Estimates.

Building and Construction Data

The following table sets forth the number of units and value of building permits issued by the City for new construction and improvements for the past five Fiscal Years:

Fiscal Year	Residential		Commercial & Industrial		Total Value
	Number of Permits	Value	Number of Permits	Value	
2015	181	\$3,078,000	50	\$3,439,000	\$ 6,517,000
2016	255	5,400,000	40	4,272,000	9,672,000
2017	243	7,222,000	38	1,369,000	8,591,000
2018	184	5,787,000	32	5,476,000	11,263,000
2019	343	9,443,000	58	6,565,000	16,008,000

Source: City Development Department.

THE CITY'S FINANCES

The General Fund

In accordance with established accounting procedures for governmental units, the City records its financial transactions under various funds. The largest is the General Corporate Fund, from which all general operating expenses are paid and to which taxes and all other revenues not specifically allocated by law or contractual agreement to other funds are deposited.

The following table indicates the City's General Corporate Fund revenues, expenditures and changes in fund balance for the fiscal years ended April 30, 2016 through 2019:

**SUMMARY OF OPERATIONS
GENERAL CORPORATE FUND
Revenues, Expenditures and Changes in Fund Balances**

	Fiscal Year ended April 30			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
REVENUES:				
Property Taxes	\$1,318,701	\$1,362,365	\$1,360,440	\$1,391,295
Corporate Personal Property				
Replacement Taxes	99,821	141,800	104,152	118,146
Intergovernmental ⁽¹⁾	4,440,011	4,099,705	4,408,056	4,400,137
Charges for Services	2,356,641	2,360,332	2,412,005	2,442,958
Licenses and Permits	249,133	242,861	251,510	282,042
Fines and Penalties	29,817	18,480	18,345	19,613
Revenue from Use of Property	89,184	92,455	90,883	96,666
Grants	-	178,078	345,625	562,792
Miscellaneous	<u>395,058</u>	<u>473,357</u>	<u>285,790</u>	<u>199,111</u>
Total Cash Revenues	8,978,366	8,969,433	9,276,806	9,512,760
CURRENT EXPENDITURES:				
General Government	1,335,459	1,227,991	1,325,568	1,326,382
Public Safety	3,096,418	3,170,447	3,280,449	3,401,414
Highways and Streets	927,059	1,017,382	898,993	934,569
Economic Development	310,318	179,261	143,661	431,300
Culture and Recreation	1,946,620	1,891,961	1,885,398	1,947,297
Capital Expenditures	<u>2,255,357</u>	<u>1,271,857</u>	<u>897,253</u>	<u>1,511,586</u>
Total Expenditures	9,871,231	8,758,899	8,431,322	9,552,548
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(892,865)	210,534	845,484	(39,788)
DEBT SERVICE EXPENDITURES AND OTHER FINANCING SOURCES (USES)				
Principal Retirement	(400,000)	(403,264)	(452,372)	(458,326)
Interest, Issue Costs and Fixed Charges	(31,319)	(29,356)	(29,253)	(23,088)
Note Payable Proceeds	-	221,000	-	-
Sale of Capital Assets	6,500	57,000	1,800	1,940
Unrealized Depreciation of Investments	-	-	(8,972)	7,981
Transfers in ⁽²⁾	1,534,530	415,468	94,808	1,039,232
Transfers out ⁽²⁾	<u>(104,000)</u>	<u>(560,000)</u>	<u>(280,000)</u>	<u>(115,000)</u>
Total other financing sources (uses)	1,005,711	(299,152)	(673,989)	452,739
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	112,846	(80,118)	171,495	412,951
BALANCE BEGINNING OF YEAR	<u>2,562,631</u>	<u>2,675,477</u>	<u>2,595,359</u>	<u>2,766,854</u>
BALANCE END OF YEAR	<u>\$2,675,477</u>	<u>\$2,595,359</u>	<u>\$2,766,854</u>	<u>\$3,179,805</u>

Footnotes to Prior Page

- (1) Intergovernmental revenue includes Revenue Sharing Receipts, personal property replacement tax, and various Federal and State grants.
- (2) Information regarding “Transfers In” and “Transfers Out” is included in the notes to the financial statements included as APPENDIX A to this Official Statement under “INTERFUND ACTIVITY.”

Source: Derived from audited financial statements of the City and the City’s Director of Finance.

Projected 2020 General Fund Results

The City’s 2020 Fiscal Year ends on April 30, 2020. Based on the budget and year to date results, the City expects the general fund ending balance to equal approximately \$3,180,000.

The City also maintains a savings balance in the Property Replacement Fund, which is a fund established by the City for capital expenditures in various City funds including the General Fund. For the 2020 Fiscal Year the projected ending balance is \$5,022,000. The Property Replacement Fund is voluntary and the funds credited to this fund are available for any legal purpose.

Governmental Funds - Revenue Sources

The City derives its revenues from a variety of sources. The following list sets forth the primary sources of City revenues for its governmental funds based on audited results for the 2019 Fiscal Year:

	<u>Revenue</u>	<u>Percentage of Total Revenue</u>
Intergovernmental:		
Sales Tax:		
General Sales Tax	\$ 2,718,178	16.45%
Non-Home Rule Sales Tax	1,458,085	8.82
Business District Sales Taxes ⁽¹⁾	493,431	2.99
State Income Tax ⁽²⁾	1,327,101	8.03
Other Intergovernmental	<u>948,028</u>	<u>5.74</u>
Total	<u>6,944,823</u>	<u>42.03</u>
Property Taxes	3,898,828	23.60
Corporate Personal Property Taxes	170,962	1.03
Charges for Services	4,167,512	25.22
Licenses, Permits and Fees	282,042	1.71
Revenue from the Use of Property	96,666	0.59
Grants and Contributions	593,992	3.59
Other	<u>368,698</u>	<u>2.23</u>
	<u>\$16,523,523</u>	<u>100.00%</u>

(1) The City began receiving this tax in October 2018.

(2) Revenue Sharing Receipts.

Source: Fiscal Year 2019 audited financial statements.

The following is a summary of some of the more significant revenue sources of the City:

Sales Taxes

General Description. Prior to 1990 a 6% State sales tax was charged by the State of Illinois of which 1% was distributed to cities as a local sales tax (the “General Sales Tax”). The sales tax rate in the City is currently 7.85% of which the State receives 5%, the County receives .25%, the Madison County Transit District receives .25%, the Metroeast Park District receives .1%, the County Flood Prevention District receives .25%, and the City receives 1% from the General Sales Tax and 1% from the Non-

Home Rule Sales Tax. The sales taxes are collected by the Illinois Department of Revenue and distributed to the City monthly.

General Sales Tax. The following table sets forth the City’s 1% General Sales Tax receipts for the past five Fiscal Years:

<u>Fiscal Year</u>	<u>General Sales Tax</u>
2015	\$2,473,224
2016	2,624,354
2017	2,687,754
2018	2,692,857
2019	2,718,178

Source: City’s audited financial statements.

Non-Home Rule Sales Tax. In March 2006 voters approved a 1% Non-Home Rule Sales Tax. The 2008 Fiscal Year was the first full year of receipts from the tax. The Non-Home Rule Sales Tax is pledged to the payment of the Series 2014B Bonds and the Series 2010 Bonds. Funds remaining after payment of such bonds will be used for the maintenance of existing streets and sidewalks.

The following table sets forth the City’s Non-Home Rule Sales Tax receipts for the past five Fiscal Years:

<u>Fiscal Year</u>	<u>Non-Home Rule Sales Tax</u>
2015	\$1,356,778
2016	1,397,348
2017	1,409,810
2018	1,402,969
2019	1,458,085

Source: City’s audited financial statements.

Business District Sales Taxes. In July 2018, the City imposed business district sales taxes pursuant to the Business District Development and Redevelopment Law of the Illinois Municipal Code (“Business District Sales Taxes”) in three districts. Two of the districts, known as Business District A and Business District B, encompassed substantially all of the City’s commercial businesses. In July 2019, Business District B was combined with Business District A. The Business District Sales Tax is imposed at the rate of ½%. The Business District Sales Tax was imposed on Business District A and Business District B beginning in July 2018 and distributed to the City beginning in October 2018. The tax will expire in 23 years from that date. The City expects to collect approximately \$675,000 annually from this tax. Additional information regarding the Business District and the Business District Sales Taxes is included under the caption “THE BUSINESS DISTRICT.”

Revenue Sharing Receipts

Illinois municipalities and counties receive a portion of the Illinois State income tax as a form of revenue sharing. A portion of the Illinois State income taxes are deposited into the Local Government Distributive Fund and are then distributed to municipalities and counties monthly. The amount of such funds allocable to each such municipality and county is the proportion of the number of individual residents of such municipality or county to the total population of the State, determined in each case on the basis of the latest census of the State, municipality or county conducted by the Federal government

and certified by the Secretary of State. During the past two years, distribution has been delayed due to financial constraints experienced by the State of Illinois.

The following table sets forth the City’s distributive share of income tax receipts for the past five Fiscal Years.

<u>Fiscal</u> <u>Year</u>	<u>Income Tax</u> <u>Receipts</u>
2015	\$1,171,822
2016	1,421,357
2017	1,046,684
2018	1,359,263
2019	1,327,101

Source: City’s audited financial statements.

Charges for Services

Charges for services are for business licenses, building permits, and parks and recreation. Fees from recreation activities represent the majority of funds classified as “Charges for Services.”

PROPERTY TAXATION

Tax Procedures

Real estate and railroad property, not used for transportation, are assessed by the Madison County Assessor. Railroad property used for transportation, private car lines, pollution control equipment and capital stock are assessed by the Illinois Department of Revenue. The Department is also responsible for establishing the rules and supervising the assessment of property and assigning multipliers or equalization ratios to each county.

The assessor’s valuations are subject to appeal by the taxpayer and then to equalization by the Illinois Department of Revenue. The purpose of equalization is to develop a common level of assessment among counties to provide, among other things, a uniform basis for the distribution of State grant-in-aid programs and to minimize problems in the distribution of the tax burden of a governmental unit in more than one county. The multiplier is applied to all assessments, other than farmland, in a county in order to bring the level of assessment as close as possible to the statutory standard. The statutory standard for assessed values is 33 1/3% of fair cash value for non-farmland and 33 1/3% of the agricultural economic value for farmland. Agricultural economic value is determined on the basis of a productivity index. The index is based on moving averages for the most recent five-year period for which statistics are available relating to various information including (i) gross income, (ii) production costs and (iii) net return to land.

Taxable property is reassessed quadrennially. Between these quadrennial assessments, the assessor has the authority to revalue properties whose condition has altered significantly since the last assessment and any other properties which may be incorrectly assessed.

An annual tax levy, in dollar amounts, is established by the City each fiscal year and is certified and filed with the County Clerk of Madison County (the “County”) not later than the last Tuesday in December. Taxes levied for the current year are collected in the next succeeding year. The County Clerk is responsible for establishing the rate of tax required to produce a net amount of funds not less than the total amount directed to be levied by the City. Pursuant to “The Truth in Taxation Act” of the State of Illinois (P.A. 82-102, approved and effective July 29, 1981), the City is required to disclose by

publication and to hold a public hearing on its intention to adopt an aggregate levy in amounts more than 105% of the amount of property taxes extended or estimated to be extended upon the levy of the preceding year, exclusive of election costs, as a condition precedent to such increased levy by the City of the extension thereof by the County Clerk. The provisions of the Truth in Taxation Act do not apply to levies made to pay debt service on bonds.

Taxes in Madison County are due in four equal installments in July, September, October and December in the year following the date of the tax levy. The volume of assessment complaints required to be reviewed by the Board of Review, changes in assessment procedures and late submission of assessment data by taxing districts to the Board of Review, among other things, can substantially affect the date in which bills are actually mailed and taxes are due. Delinquent taxes accrue interest at the rate of 1½% per month until they are paid or until the property is forfeited.

By Illinois statute, the County has a first lien upon real property for payment of taxes. Delinquent taxes may be collected by judicial foreclosure. If an arrearage remains after the second tax payment is due, a Treasurer's tax sale occurs, usually within six months. Participants in this sale are not purchasing the actual property, but merely the taxes owed. If the taxes are not sold, the property remains with a county trustee. If the property owner fails to pay all owed taxes plus interest within two years, the property itself is sold in an auction. The new owner must then pay the tax agent or county trustee the back taxes and interest. Detailed procedures covering the sale of property for delinquent taxes are prescribed in the Illinois Property Tax Code.

The County Treasurer is responsible for tax collections and distributions to the City and other taxing districts. Distributions are made as soon as sufficient funds are available for this purpose.

Tax-Exemptions

Principal categories of exempt property are property used for religious, educational, or charitable purposes, property of the United States, property of the State of Illinois and political subdivisions thereof, homes used by disabled veterans, and property of not-for-profit corporations. Personal property was exempted from taxation after January 1, 1979. In addition, the Property Tax Code provides a variety of homestead and other exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes ("Residential Property") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$10,000 for tax year 2017 and thereafter.

The Long-Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer's homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of \$100,000 or less ("Qualified Homestead Property"). If the taxpayer's annual income is \$75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties.

The Homestead Improvement Exemption applies to Residential Property that has been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to \$75,000 for up to four years, to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2017, the maximum exemption is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$55,000 for assessment year 2008 through assessment year 2017. Beginning in assessment year 2018, the maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Beginning January 1, 2015 purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the applicable section of the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index ("CPI"). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the "Natural Disaster Exemption") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Three exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Property Tax Extension Limitation Law

The Property Tax Extension Limitation Law of the State of Illinois, as amended (the “*Limitation Law*”), limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. The Limitation Law, permits the county boards of all counties not subject to the Limitation Law to initiate binding referenda to extend the provisions of the Limitation Law to all non-home rule taxing bodies in the county. At the April 13, 1999 Consolidated Election, voters of Madison County rejected a proposition to extend the provisions of the Limitation Law to taxing bodies in Madison County.

Property Assessment

The following table indicates the equalized assessed valuation for the City for the past five tax years:

<u>Tax Year</u>	<u>Equalized Assessed Valuation</u>	<u>Change from Prior Year</u>
2014	\$177,827,085	—
2015	177,612,345	-0.12%
2016	180,405,083	1.57
2017	184,021,018	2.00
2018	189,946,306	3.22

Source: Office of the County Clerk.

The following table sets forth the composition of equalized assessed valuation for 2018 tax year and the estimated market value:

<u>Assessment Category</u>	<u>Assessed Value</u>	<u>Estimated Market Value</u>
Residential	\$137,963,798	\$413,891,394
Commercial	46,999,602	140,998,806
Industrial	4,653,830	13,961,490
Railroads	88,046	264,138
Farmland	241,030	241,030
Total Taxable Properties	<u>189,946,306</u>	<u>569,356,858</u>
Exemptions (Sr. Citizens Homestead, Sr. Citizens Tax Freeze, General Homestead and Others)	26,571,488	79,714,464
Tax Increment Financing	<u>6,505,647</u>	<u>19,516,941</u>
Total	<u>\$223,023,441</u>	<u>\$668,588,263</u>

Source: Equalized assessed values were provided by the County Clerk.

Tax Rates

The following table sets forth the City's tax rates per \$100 equalized assessed valuation for the tax years 2015 through 2018:

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Government ⁽¹⁾	\$.3330	\$.3279	\$.3298	\$.3291
Police Protection ⁽²⁾	.0750	.0739	.0743	.0742
Fire Protection ⁽³⁾	.0750	.0739	.0743	.0742
Playground & Recreation ⁽⁴⁾	.0900	.0887	.0892	.0890
Band ⁽⁵⁾	.0259	.0255	.0250	.0211
Social Security	.2619	.2495	.2446	.2317
Retirement	.2787	.2495	.2446	.2291
Liability Insurance	.1295	.1636	.1783	.1712
Crossing Guards ⁽⁶⁾	.0070	.0056	.0055	.0048
Audit	.0096	.0089	.0087	.0106
Ambulance ⁽⁷⁾	.2500	.2462	.2476	.2471
Community Building ⁽⁸⁾	.0750	.0739	.0743	.0742
Police Pension	.2367	.3059	.3125	.3342
Library ⁽⁹⁾	.1500	.1477	.1486	.1483
Library Liability Insurance ⁽¹⁰⁾	.0189	.0183	.0191	.0187
Bonds	—	—	—	—
Public Comfort Station	.0141	.0084	.0109	—
	<u>\$2.0303</u>	<u>\$2.0674</u>	<u>\$2.0873</u>	<u>\$2.0575</u>

-
- (1) The maximum tax rate is equal to \$.33 per \$100 of Assessed Value but may be increased to \$.4375 by referendum.
- (2) The maximum tax rate is equal to \$.075 per \$100 of Assessed Value but may be increased to \$.60 by referendum.
- (3) The maximum tax rate is equal to \$.075 per \$100 of Assessed Value but may be increased to \$.60 by referendum.
- (4) The maximum tax rate is equal to \$.09 per \$100 of assessed value but may be increased by referendum to any rate.
- (5) The maximum tax rate is equal to \$.04 per \$100 of Assessed Value.
- (6) The maximum tax rate is equal to \$.02 per \$100 of Assessed Value.
- (7) The maximum tax rate is equal to \$.25 per \$100 of Assessed Value.
- (8) The maximum tax rate is equal to \$.075 per \$100 of Assessed Value.
- (9) The maximum tax rate is equal to \$.15 per \$100 of Assessed Value.
- (10) The maximum tax rate is equal to \$.0333 per \$100 of Assessed Value.

Tax Levies and Collections

Due to the procedures used in the collection and distribution of taxes, Madison County does not make a distinction in record keeping between total current taxes collected and back taxes collected (See the caption “PROPERTY TAXATION-Tax Procedures”). A final annual settlement of taxes is made by the County approximately 6 to 10 months following the due date on the last installment of taxes. The following table sets forth the total taxes distributed to the City by the final tax settlement date:

<u>Tax Year</u>	<u>Taxes Extended</u>	<u>Taxes Distributed</u>	<u>% Distributed</u>
2013	\$3,446,329	\$3,421,827	99.29%
2014	3,541,960	3,523,231	99.47
2015	3,606,064	3,590,386	99.57
2016	3,729,694	3,734,016	100.12
2017	3,841,070	3,828,718	99.68
2018	3,908,144	n/a	n/a

Source: City’s Finance Department.

Major Taxpayers

The following table sets forth information regarding the top ten taxpayers in the City based on 2018 property tax assessment.

<u>Taxpayer</u>	<u>Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation⁽¹⁾</u>
St. Joseph’s Hospital	Healthcare	\$3,573,850	1.88%
Walmart Stores	Department Store	2,840,190	1.50
Frey Properties	Developer	1,676,910	0.88
CBL Acquisition Corp. (formerly Cooper B-Line Systems)	Industrial Support Systems	1,334,360	0.70
Retko Group	Rental Property	1,271,740	0.67
Cedarhurst of Highland Real Estate LLC	Real Estate Development	1,254,510	0.66
Glik Development Co.	Real Estate Development	982,750	0.52
Trouw Nutrition	Feed Additive	949,010	0.50
Dow Jones	Wall Street Journal-MidWest Edition	947,690	0.50
Highland Leasehold/ Health	Health Care	937,830	0.49

(1) Based on the ratio of the assessed valuation of the taxpayer to the City’s assessed valuation of \$189,946,306.

Source: Madison County Clerk.

DEBT OF THE CITY

The Debt Certificates*

The following table sets forth the debt service requirements on the Certificates.

Fiscal <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2021	\$ 340,000	\$	\$
2022	345,000		
2023	355,000		
2024	365,000		
2025	370,000		
2026	380,000		
2027	390,000		
2028	400,000		
2029	410,000		
2030	425,000		
2031	435,000		
2032	450,000		
2033	460,000		
2034	475,000		
2035	490,000		
2036	505,000		
2037	525,000		
2038	540,000		
2039	560,000		
2040	<u>580,000</u>		
Total	<u>\$8,800,000</u>	<u>\$</u>	

Alternate Revenue Bonds

The following table sets forth a list of the City’s outstanding general obligation alternate revenue source bonds as of the date of this Official Statement. The table includes the source of revenue from which debt service payments are made or expected to be made.

<u>Issue</u>	<u>Source of Repayment</u>	<u>Principal Outstanding</u>
General Obligation Capital Appreciation Bonds (Alternate Revenue Source) Series 2010	Non-Home Rule Sales Tax	\$2,817,579
General Obligation Bonds (Alternate Revenue Source) Series 2012	General Obligation Bonds and Incremental Revenues	2,830,000
General Obligation Sewerage System Bonds (Alternate Revenue Source) Series 2013	Sewerage System	2,110,000
General Obligation Refunding Bonds (Alternate Revenue Source) Series 2014A	General Sales Tax	<u>430,000</u>
Total		<u>\$8,187,579</u>

* Subject to Change

The following table sets forth the debt service on the City’s outstanding general obligation alternate revenue source bonds, as of the date of this Official Statement including the source of revenue from which debt service is expected to be paid:

Fiscal Year	Incremental Revenues and Other Funds	General Sales Tax	Non-Home Rule Sales Tax	Sewer System	Total Debt Service
2020		\$ 4,515			\$ 4,515
2021	\$ 292,563	434,515	\$ 535,000	\$ 198,800	1,460,878
2022	291,563	—	535,000	195,613	1,022,176
2023	290,413	—	535,000	197,263	1,022,676
2024	289,113	—	535,000	198,450	1,022,563
2025	292,663	—	535,000	199,220	1,026,883
2026	290,350	—	535,000	199,623	1,024,973
2027	287,875	—	535,000	199,643	1,022,518
2028	290,238	—	535,000	199,265	1,024,503
2029	292,275	—	535,000	198,275	1,025,550
2030	288,350	—	540,000	196,775	1,025,125
2031	289,250	—	—	195,075	484,325
2032	289,800	—	—	197,850	487,650
2033	—	—	—	180,413	180,413
2034	—	—	—	163,400	163,400
Total	<u>\$3,484,453</u>	<u>\$439,030</u>	<u>\$5,355,000</u>	<u>\$2,719,665</u>	<u>\$11,998,148</u>

Promissory Note

On October 20, 2018, the City issued Promissory Notes, Series 2018 (the “Promissory Notes”) in the principal amount of \$1,665,000 of which \$1,522,000 is presently outstanding. Proceeds from the Promissory Notes were used to make improvements to the City’s waterworks system. The Promissory Notes are a general obligation of the City; however, the City expects to make payments solely from the City’s waterworks system.

Legal Debt Limit and Debt Margin*

The City may enter into installment purchase contracts, and, subject to a vote, may issue general obligation bonds in an amount not exceeding 8.625% of its assessed valuation. The following table sets forth the City’s legal debt limit and debt margin.

2018 Assessed Value	<u>\$189,946,306</u>
Debt Limit - 8.625% of Assessed Value	\$16,382,869
Less: Debt Counting Against Limit ⁽¹⁾	<u>10,322,000*</u>
Legal Debt Margin	<u>\$ 6,060,869*</u>

(1) As long as the City’s pays the alternate bonds from the Pledged Revenues, the alternate revenue source bonds will not count against any constitutional or statutory debt limit. Accordingly, the City’s alternate bonds are not included in the table above.

Without voter approval, the City may issue bonds pursuant to the Illinois Municipal Code (bonds authorized under Section 8-5-16 of the Illinois Municipal Code) in an amount equal to .50% of assessed valuation. The following table sets forth the City’s non-referendum debt limit:

2018 Assessed Value	<u>\$189,946,306</u>
Debt Limit - .50% of Assessed Value	\$949,732
Less: Debt Counting Against Limit	—
Legal Debt Margin	<u>\$949,732</u>

Direct and Overlapping Debt*

The following table sets forth information relating to the direct and overlapping general obligation debt of the City as of the date of this Official Statement:

	<u>Outstanding Bonds</u>	<u>Percent Applicable to The City⁽¹⁾</u>	<u>City’s Direct and Overlapping Debt</u>
City of Highland ⁽²⁾	\$10,322,000	100.00%	\$10,322,000
Southwestern Illinois College #522	8,865,000	2.72	241,128
Community Unit School Dist. No. 5	<u>18,144,217</u>	48.46	<u>8,792,688</u>
	<u>\$37,331,217</u>		<u>\$19,355,816</u>

- (1) Based on 2018 assessed valuation including the value of property in tax increment financing areas.
 - (2) The table excludes the City’s alternate bonds since the alternate bonds are not considered debt unless property taxes are extended for payment of such bonds.
- Source: Bond amounts were derived from records available through the Municipal Securities Rulemaking Board’s Electric Municipal Market Access system (“EMMA”). Assessments were provided by records of the County Clerk.

Additional and Future Debt

The City has approved an ordinance to enter into an installment purchase agreement in the amount of \$300,000 (\$30,000 annual payments over a term of 10 years) that is subject to a referendum in the event a petition is filed by at least 10% of the registered voters within 30 days following a publication relating to the petition. If a petition is not filed, the ordinance will become effective and the \$300,000 will be treated as an indebtedness of the City. The City is evaluating the feasibility of constructing a new swimming pool.

THE BUSINESS DISTRICT

General Description

Municipalities are authorized to create and amend Business Districts by the Illinois Municipal Code, specifically in 65 ILCS 5/11-74.3 et seq. (the “Business District Act”). The Business District Act sets forth the requirements and procedures for establishing and amending a Business District and a Business District Plan. In order to impose the retailers’ occupation tax and service occupation tax, the corporate authorities of the municipality shall make a formal finding that the Business District area is a “Blighted Area”, as defined as follows:

"Blighted area" means an area that is a blighted area which, by reason of the predominance of defective, non-existent, or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of

housing accommodations or constitutes an economic or social liability, an economic underutilization of the area, or a menace to the public health, safety, morals, or welfare.”

The Business District Act requires that a Business District Plan is prepared and adopted by a municipality that sets forth the conditions of blight.

The Business District Act also requires that any Business District Plan adopted by a municipality include:

- A specific description of the District boundaries and map;
- A general description of each project proposed to be undertaken within the District including a description of the approximate location of each project and a description of any developer, user, or tenant of any property to be located or improved within the proposed business district;
- The name of the proposed District;
- The estimated business district project costs;
- Anticipated source of funds to pay District project costs;
- Anticipated type and terms of any obligations to be issued; and
- The retailers’ occupation tax and service occupation tax, if any, and the rate of such taxes and
- the period of time for which the tax shall be imposed.

The City’s Business Districts

In 2017, the City engaged Moran Economic Development, Edwardsville, Illinois, to prepare Business District Plans in connection with potential business districts in the City. Three business districts were established. Two of the districts, known as Business District A and Business District B, encompassed substantially all of the City’s commercial businesses. In July 2019, Business District B was combined with Business District A.

The combined Business District A was found to be “blighted” due to the presence of conditions representative of those outlined in the Business District Act. These included:

- Unsanitary or unsafe conditions
- Deterioration of site improvements
- Existence of conditions which endanger property
- Improper subdivision or obsolete platting

Business District Sales Taxes were established at the rate of ½%. The Business District Sales Taxes were initially implemented in Business District A and Business District B beginning in July 2018 with a 23-year expiration date. Business District Sales Taxes were distributed to the City beginning in October 2018. The City expects to collect approximately \$675,000 annually from the Business District Sales Taxes from Business District A and intends to use the taxes for payment of the principal of and interest on the Certificates.

Redevelopment projects set forth in the Business District Plan include among others, the incurrence of fire and EMS capital costs as determined by the City and the costs of installation or construction of buildings, including public safety buildings, structures, works, streets, improvements, equipment, utilities, or fixtures.

THE PROJECTS

Description

The Certificates are being issued for the purpose of financing the renovation of Fire Station 1 and construction of a new public safety facility.

Fire Station 1 is a 35-year old building that predates the Americans with Disabilities Act of 1990 (“ADA”) laws. Renovations will be made to make the building ADA compliant. In addition, the building is being updated to include additional administration space for both supervision and billing. An approximately 2,000 square foot addition will be added to the rear of the facility that will allow for safe and compliant living quarters for up to 2 full crews of staff. The building will be ADA compliant following completion.

The new public safety facility will house the police department administration and operations as well as space for 2 full EMS crews and apparatus. The building will be approximately 20,000 square feet and will include modern detention, interview, evidence and operational facilities. It will also include an approximately 4,500 square feet of pre-engineered building separate from the main facility that will house fleet vehicles and other emergency apparatus and will provide growth for the Fire Department. The police station will be located on a 10-acre site currently owned by the City.

Loyet Architects, Highland, Illinois, is the architect for the Fire Station project. The City is in the process of selecting a firm to design and build the public safety facility. The Fire Station renovation will begin in March 1, 2020 and is expected to be completed in 3 to 4 months. Construction of the new public safety facility is expected to begin in 6-9 months with completion approximately 12-14 months thereafter.

Estimated Sources and Uses of Funds*

The estimated sources and uses of funds are set forth below.

Sources of Funds	
Net Proceeds of the Certificates ⁽¹⁾	\$
Interest Earnings During Construction ⁽²⁾	_____
Total	<u>\$</u>
Uses of Funds	
Estimated Project Costs:	
Fire Station Renovation ⁽³⁾	\$1,500,000
Public Safety Building ⁽⁴⁾	6,650,000
Furniture, Fixtures, Equipment and Contingencies	
Costs of Issuance	_____
Total	<u>\$</u>

(1) Represents the principal amount of the Certificates, plus original issue premium less the underwriter’s discount.

(2) Assumes a 24-month construction period and an interest rate of 1.75%.

(3) Based on a bid received for renovation of Fire Station Number 1, 2019.

(4) Based on a City estimate.

* Subject to Change

RATING

Moody's Investors Service, Inc. has assigned the rating of "Aa3" to the Certificates. Such rating reflects only the view of the rating agency and any desired explanation of the significance of the rating should be obtained from the rating agency at the following address: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich, New York, New York 10007. There is no assurance that a rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by the rating agency. Such lowering or withdrawal may have an adverse effect on the market price of the Certificates.

LEGAL MATTERS

All matters incident to the authorization and issuance of the Certificates are subject to the approval of Gilmore & Bell, P.C., Edwardsville, Illinois, Bond Counsel. Bond Counsel has participated only in the preparation of portions of this Official Statement captioned "THE CERTIFICATES", "LEGAL MATTERS," "TAX MATTERS," "CONTINUING DISCLOSURE UNDERTAKING" (except for "Prior Compliance") and APPENDIX B. Bond Counsel accordingly expresses no opinion as to the accuracy or sufficiency of other portions of this Official Statement or as to the financial statements contained herein.

TAX MATTERS

The following is a summary of the material federal and State of Illinois income tax consequences of holding and disposing of the Certificates. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Certificates as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Illinois, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Certificates in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Certificates.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under the law existing as of the issue date of the Certificates:

Federal Tax Exemption. The interest on the Certificates (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. The interest on the Certificates is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Certificates are "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**").

Bond Counsel's opinions are provided as of the date of the original issue of the Certificates, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Certificates in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of

interest on the Certificates in gross income for federal income tax purposes retroactive to the date of issuance of the Certificates. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Certificates, but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

Interest Taxable. The interest on the Certificates is not exempt from income taxation by the State of Illinois. Bond Counsel is not rendering any opinion to owners of the Certificates regarding the treatment of interest on the Certificates for Illinois income taxation. Purchasers of Certificates should consult their tax advisors as to the applicability of these tax consequences of the purchase, ownership and disposition of the Certificates, including the possible application of state, local, foreign and other tax laws.

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Certificate over its issue price. The issue price of a Certificate is generally the first price at which a substantial amount of the Certificates of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt obligations accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Certificate during any accrual period generally equals (1) the issue price of that Certificate, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Certificate (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Certificate during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Certificate. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Certificate over its stated redemption price at maturity. The issue price of a Certificate is generally the first price at which a substantial amount of the Certificates of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt obligations amortizes over the term of the Certificate using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Certificate and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Certificate prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Certificates. Upon the sale, exchange or retirement (including redemption) of a Certificate, an owner of the Certificate generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Certificate (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Certificate. To the extent a Certificate is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Certificate has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Certificates, and to the proceeds paid on the sale of the Certificates, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend

and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Certificates should be aware that ownership of the Certificates may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Certificates. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Certificates should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Certificates, including the possible application of state, local, foreign and other tax laws.

MUNICIPAL ADVISOR

WM Financial Strategies, St. Louis, Missouri, (the "Municipal Advisor") is a registered municipal advisor with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor is employed by the City to render certain professional services, including advising the City on a plan of financing and assisting in preparing the Official Statement for the sale of the Certificates. The Municipal Advisor does not guaranty, warrant or represent the accuracy or completeness of the information contained in this Official Statement.

UNDERWRITING

_____ (the "Underwriter"), has agreed to purchase the Certificates from the City at a price equal to \$_____ (representing \$_____ original principal amount of the Certificates, plus a net original issue premium of \$_____, and less an underwriting discount of \$_____). The Underwriter is purchasing the Certificates from the City for resale in the normal course of the Underwriter's business activities. The Certificates may be offered and sold to certain dealers and others at prices lower than the initial public offering price, and such initial offering price may be changed from time to time.

NO LITIGATION CERTIFICATE

Simultaneously with the delivery of and payment for the Certificates, the Mayor, acting on behalf of the City, will furnish to the Underwriter a certificate which shall state, among other things, that there is no controversy, suit or other proceeding of any kind pending or to his knowledge, threatened in any court (either State or Federal) restraining or enjoining the issuance or delivery of the Certificates or questioning (i) the proceedings under which the Certificates are to be issued, (ii) the validity of the Certificates, (iii) the creation of the City's business districts or the imposition of the Business District Sales Taxes, or (iv) the legal existence of the City or the title to office of the present officials of the City.

CONTINUING DISCLOSURE UNDERTAKING

The Undertaking

The City will covenant in a Continuing Disclosure Undertaking to provide certain financial information and operating data relating to the City as described below (the "Annual Report") and to provide notices of the occurrence of certain enumerated events. The City shall file the Annual Reports with the Municipal Securities Rulemaking Board (the "MSRB") via the Electronic Municipal Market Access system ("EMMA") as follows:

- (i) Within 180 days following the end of each Fiscal Year, commencing with the Fiscal Year ending April 30, 2020, the audited financial statements of the City.
- (ii) Within 180 days following the end of each Fiscal Year, commencing with the Fiscal Year ending April 30, 2020, certain annual financial information and operating data generally consistent with the tables contained in this Official Statement under the captions “THE CITY’S FINANCES,” “PROPERTY TAXATION,” and “DEBT OF THE CITY.”
- (iii) Notice of the occurrence of any of the following events with respect to the Certificates, within 10 business days after the occurrence:
 - (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) modifications to rights of bondholders, if material;
 - (4) bond calls, if material, and tender offers;
 - (5) defeasances;
 - (6) rating changes;
 - (7) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Forms 570-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax-exempt status of the Certificates;
 - (8) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (9) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (10) substitution of credit or liquidity providers, or their failure to perform;
 - (11) release, substitution or sale of property securing repayment of the Certificates, if material;
 - (12) bankruptcy, insolvency, receivership or similar event of the City;
 - (13) the consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
 - (15) incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the City, any of which affect security holders, if material; and
 - (16) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

For purposes of (15) and (16) above, “financial obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c-12.

The City may also, from time to time, choose to provide notice of other events or matters, but the City does not undertake to commit to provide any such notice of any event or matter except those indicated herein.

The foregoing information, data and notices can be obtained from the City’s Director of Finance at the Highland City Hall, 1115 Broadway, Highland, Illinois 62249, (618) 654-9891.

The City may amend its disclosure obligations provided that the City receives an opinion from nationally recognized bond counsel to the effect that such modifications are in compliance with the Rule.

If the City fails to comply with its disclosure obligations, any holder or Beneficial Owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations. A default by the City in its disclosure obligations shall not be deemed a default under the Certificate Ordinance authorizing the issuance of the Certificates and the sole remedy shall be an action to compel performance.

Prior Compliance

To the best of the City’s knowledge and belief, the City has complied in all material respects with its prior continuing disclosure obligations under Rule 15c2-12.

CERTIFICATION OF OFFICIAL STATEMENT

Simultaneously with the delivery of the Certificates, the Mayor, acting on behalf of the City, will furnish to the Underwriter a certificate which shall state, among other things, that to the best of his knowledge and belief, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Certificates does not contain any untrue statement of a material fact and does not omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Certificates. Any statement made in this Official Statement involving matters of opinion is intended merely as an opinion and not as a representation of fact. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

CITY OF HIGHLAND, ILLINOIS

BY: _____
Mayor

APPENDIX A
CITY OF HIGHLAND, ILLINOIS
FINANCIAL STATEMENTS
April 30, 2019

The financial statements presented within this APPENDIX A have been extracted from the City’s annual financial statements for the year ended April 30, 2019. The statements include supplemental information and the auditor’s report which are not included herein. Copies of the annual financial statements, in their entirety, and the budget for the fiscal year ending April 30, 2020 are at <https://www.highlandil.gov/finance-department>.

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CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF NET POSITION

	PRIMARY GOVERNMENT						COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL		INDUSTRIAL DEVELOPMENT COMMISSION
	APRIL 30,		APRIL 30,		APRIL 30,		
	2019	2018	2019	2018	2019	2018	2019
ASSETS							
Current Assets:							
Cash and Investments	\$ 11,449,634	\$ 10,561,759	\$ 9,356,367	\$ 8,142,965	\$ 20,806,001	\$ 18,704,724	\$ 77,886
Receivables (Net, Where Applicable of Allowance for Uncollectibles):							
Property Taxes	3,818,970	3,771,571			3,818,970	3,771,571	
Replacement Tax Receivable	46,176	33,499			46,176	33,499	
Accounts Receivable	826,928	862,710	815,309	869,422	1,642,237	1,732,132	
Income Tax Receivable	312,581	241,781			312,581	241,781	
Sales Tax Receivable	762,953	637,491			762,953	637,491	
Unbilled Revenue			1,239,203	1,254,123	1,239,203	1,254,123	
Other	112,379	104,356	31,237	22,647	143,616	127,003	
Prepaid Expenses	276,267	268,428	194,648	237,644	470,915	506,072	
Restricted Assets:							
Cash and Investments	130,911	97,193	418,017	68,995	548,928	166,188	
Capital Assets (Net of Accumulated Depreciation)	31,732,664	33,260,553	37,986,119	37,740,948	69,718,783	71,001,501	
Land	7,807,558	7,757,958	2,160,714	2,051,199	9,968,272	9,809,157	
Construction in Progress	1,658,735	667,265	983,074	934,436	2,641,809	1,601,701	
Other Assets (Net of Accumulated Amortization)		163				163	
Total Assets	<u>58,935,756</u>	<u>58,264,727</u>	<u>53,184,688</u>	<u>51,322,379</u>	<u>112,120,444</u>	<u>109,587,106</u>	<u>77,886</u>
DEFERRED OUTFLOWS OF RESOURCES							
Related to OPEB	44,317		18,711		63,028		
Related to Pensions - IMRF and SLEP	3,837,815	1,207,010	2,165,464	728,223	6,003,279	1,935,233	
Related to Pensions - Police Pension	2,537,627	2,013,698			2,537,627	2,013,698	
Total Deferred Outflows of Resources	<u>6,419,759</u>	<u>3,220,708</u>	<u>2,184,175</u>	<u>728,223</u>	<u>8,603,934</u>	<u>3,948,931</u>	<u>0</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 65,355,515</u>	<u>\$ 61,485,435</u>	<u>\$ 55,368,863</u>	<u>\$ 52,050,602</u>	<u>\$ 120,724,378</u>	<u>\$ 113,536,037</u>	<u>\$ 77,886</u>
LIABILITIES							
Current Liabilities:							
Accounts Payable	\$ 430,221	\$ 370,747	\$ 1,624,239	\$ 1,399,069	\$ 2,054,460	\$ 1,769,816	
Accrued Salaries and Benefits	355,627	342,466	149,789	130,025	505,416	472,491	
Accrued Interest	39,076	40,119	181,918	185,079	220,994	225,198	
Customer Deposits			95,746	68,995	95,746	68,995	
Premium on Revenue Bonds	13,251	23,096	19,109	20,427	32,360	43,523	
Long-Term Liabilities:							
Portion Due or Payable Within One Year:							
Bonds Payable	991,787	1,340,000	770,000	745,000	1,761,787	2,085,000	
Notes Payable	90,927	43,327	143,000		233,927	43,327	
Maintenance Agreement Payable			168,903	168,896	168,903	168,896	
Portion Due or Payable After One Year:							
Compensated Absences	746,065	736,629	346,555	345,208	1,092,620	1,081,837	
Net Pension Liability - IMRF and SLEP	3,593,236	294,420	2,025,654	210,126	5,618,890	504,546	
Net Pension Liability - Police Pension	7,526,310	6,309,009			7,526,310	6,309,009	
Other Post Employment Benefits Payable	1,275,029	1,171,898	538,347	494,800	1,813,376	1,666,698	
Bonds Payable	6,077,580	7,069,367	11,835,000	12,605,000	17,912,580	19,674,367	
Notes Payable	234,834	132,037	1,450,000		1,684,834	132,037	
Long-Term Accrued Interest	1,223,731	1,080,230			1,223,731	1,080,230	
Maintenance Agreement Payable			54,255	223,158	54,255	223,158	
Total Liabilities	<u>22,597,674</u>	<u>18,953,345</u>	<u>19,402,515</u>	<u>16,595,783</u>	<u>42,000,189</u>	<u>35,549,128</u>	<u>\$ 0</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Property Taxes	3,818,970	3,771,571			3,818,970	3,771,571	
Related to Pensions - IMRF and SLEP	1,821,154	2,401,926	1,014,921	1,366,252	2,836,075	3,768,178	
Related to Pensions - Police Pension	649,337	774,183			649,337	774,183	
Total Deferred Inflows of Resources	<u>6,289,461</u>	<u>6,947,680</u>	<u>1,014,921</u>	<u>1,366,252</u>	<u>7,304,382</u>	<u>8,313,932</u>	<u>0</u>
NET POSITION							
Invested in Capital Assets, Net of Related Debt	33,803,829	33,101,045	26,708,749	26,984,529	60,512,578	60,085,574	
Restricted for:							
Special Revenue Purposes	2,646,084	2,075,548			2,646,084	2,075,548	77,886
Other Purposes	122,901	129,104			122,901	129,104	
Long-Term Debt	105,658	72,943	418,017	68,995	523,675	141,938	
Unrestricted	(210,092)	205,770	7,824,661	7,035,043	7,614,569	7,240,813	
Total Net Position	<u>36,468,380</u>	<u>35,584,410</u>	<u>34,951,427</u>	<u>34,088,567</u>	<u>71,419,807</u>	<u>69,672,977</u>	<u>77,886</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 65,355,515</u>	<u>\$ 61,485,435</u>	<u>\$ 55,368,863</u>	<u>\$ 52,050,602</u>	<u>\$ 120,724,378</u>	<u>\$ 113,536,037</u>	<u>\$ 77,886</u>

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government		
						Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 1,838,268	\$ 1,740,062	\$ 7,628		\$ (90,578)	\$	\$ (90,578)	
Public Safety	7,021,129	1,766,486	1,815		(5,252,828)		(5,252,828)	
Highways and Streets	2,841,512	10,800	50,343	\$ 55,575	(2,724,794)		(2,724,794)	
Culture and Recreation	2,728,009	1,051,585	75,002	402,028	(1,199,394)		(1,199,394)	
Economic Development	509,973		1,601		(508,372)		(508,372)	
Employer's Contribution to Retirement Fund	894,799				(894,799)		(894,799)	
Interest on Long-Term Debt	270,278				(270,278)		(270,278)	
Total Governmental Activities	16,103,968	4,568,933	136,389	457,603	(10,941,043)	\$ 0	(10,941,043)	\$ 0
Business-Type Activities:								
Electric	16,922,749	17,046,844				124,095	124,095	
Water	2,366,794	2,688,256				321,462	321,462	
Sewer	1,764,812	2,277,562				512,750	512,750	
Solid Waste	1,637,497	1,674,774				37,277	37,277	
Total Business-Type Activities	22,691,852	23,687,436	0	0	0	995,584	995,584	0
Total Primary Government	\$ 38,795,820	\$ 28,256,369	\$ 136,389	\$ 457,603	(10,941,043)	995,584	(9,945,459)	0
Component Unit:								
Industrial Development								0
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes					3,898,828		3,898,828	
Intergovernmental					7,115,785		7,115,785	
Gain on Disposal of Capital Assets					14,409		14,409	
Unrealized Appreciation of Investments					25,006	26,380	51,386	558
Interest and Miscellaneous Income					345,985	265,896	611,881	
Transfers					425,000	(425,000)	0	
Total General Revenues					11,825,013	(132,724)	11,692,289	558
Change in Net Position					883,970	862,860	1,746,830	558
Net Position Beginning					35,584,410	34,088,567	69,672,977	77,328
Net Position Ending					\$ 36,468,380	\$ 34,951,427	\$ 71,419,807	\$ 77,886

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 1,867,653	\$ 1,687,664	\$ 4,145		\$ (175,844)	\$	\$ (175,844)	
Public Safety	6,773,811	1,448,672	2,150		(5,322,989)		(5,322,989)	
Highways and Streets	2,794,453	5,743	29,174	\$ 117,425	(2,642,111)		(2,642,111)	
Culture and Recreation	2,591,003	1,040,722	62,060	278,837	(1,209,384)		(1,209,384)	
Economic Development	241,216		1,601		(239,615)		(239,615)	
Employer's Contribution to Retirement Fund	930,104				(930,104)		(930,104)	
Interest on Long-Term Debt	285,835				(285,835)		(285,835)	
Total Governmental Activities	\$ 15,484,075	\$ 4,182,801	\$ 99,130	\$ 396,262	\$ (10,805,882)	\$ 0	\$ (10,805,882)	\$ 0
Business-Type Activities:								
Electric	16,637,826	16,548,836			(88,990)		(88,990)	
Water	2,236,009	2,628,949			392,940		392,940	
Sewer	2,178,795	2,180,024			1,229		1,229	
Solid Waste	1,543,662	1,636,834			93,172		93,172	
Total Business-Type Activities	\$ 22,596,292	\$ 22,994,643	\$ 0	\$ 0	\$ 398,351	\$ 398,351	\$ 398,351	\$ 0
Total Primary Government	\$ 38,080,367	\$ 27,177,444	\$ 99,130	\$ 396,262	\$ (10,805,882)	\$ 398,351	\$ (10,407,531)	\$ 0
Component Unit								
Industrial Development								(6)
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes					3,794,954		3,794,954	
Intergovernmental					6,521,853		6,521,853	
Gain on Disposal of Capital Assets					9,979		9,979	
Unrealized Depreciation of Investments					(28,509)	(29,238)	(57,747)	
Interest and Miscellaneous Income					399,080	309,048	708,128	1,893
Transfers					150,000	(150,000)	0	
Total General Revenues					10,847,357	129,810	10,977,167	1,893
Change in Net Position					41,475	528,161	569,636	1,887
Net Position Beginning - Restated					35,542,935	33,560,406	69,103,341	75,441
Net Position Ending					\$ 35,584,410	\$ 34,088,567	\$ 69,672,977	\$ 77,328

CITY OF HIGHLAND, ILLINOIS
BALANCE SHEETS
GOVERNMENTAL FUNDS
APRIL 30, 2019

	PRIMARY GOVERNMENT						COMPONENT UNIT
	GENERAL CORPORATE	CITY PROPERTY REPLACEMENT	AMBULANCE	STREET IMPROVEMENT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
ASSETS							
Cash and Investments	\$ 2,849,329	\$ 5,064,133	\$ 4,838	\$ 396,442	\$ 3,134,892	\$ 11,449,634	\$ 77,886
Receivables (Net, Where Applicable of Allowance for Uncollectibles):							
Property Taxes	1,266,182		469,357		2,083,431	3,818,970	
Replacement Tax Receivable	31,405		4,571		10,200	46,176	
Accounts Receivable	51,306		775,622			826,928	
Income Tax Receivable	312,581					312,581	
Sales Tax Receivable	439,778			220,494	102,681	762,953	
Other	65,598		16	734	29,296	112,379	
Due from Other Fund					206,192	115,000	
Prepaid Expenses	67,244		2,831			276,267	
Restricted Cash					130,911	130,911	
Total Assets	\$ 5,083,423	\$ 5,195,868	\$ 1,257,235	\$ 617,670	\$ 5,697,603	\$ 17,851,799	\$ 77,886
LIABILITIES							
Accounts Payable	\$ 323,228		\$ 40,496	\$ 27,783	\$ 38,714	\$ 430,221	
Accrued Salaries and Benefits	244,208		65,476		45,943	355,627	
Due to Other Fund	70,000			0	45,000	115,000	
Total Liabilities	\$ 637,436	\$ 0	\$ 105,972	\$ 27,783	\$ 129,657	\$ 900,848	\$ 0
DEFERRED INFLOWS OF RESOURCES							
Unavailable Property Taxes	1,266,182		469,357		2,083,431	3,818,970	
FUND BALANCES							
Nonspendable	67,244		2,831		206,192	276,267	
Restricted	55,657				2,542,719	2,598,376	77,886
Assigned		5,195,868	679,075	589,887	824,688	7,289,518	
Unassigned	3,056,904				(89,084)	2,967,820	
Total Fund Balances	\$ 3,179,805	\$ 5,195,868	\$ 681,906	\$ 589,887	\$ 3,484,515	\$ 13,131,981	\$ 77,886
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 5,083,423	\$ 5,195,868	\$ 1,257,235	\$ 617,670	\$ 5,697,603	\$ 17,851,799	\$ 77,886

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
BALANCE SHEETS
GOVERNMENTAL FUNDS
APRIL 30, 2018

	PRIMARY GOVERNMENT					TOTAL GOVERNMENTAL FUNDS	COMPONENT UNIT
	CITY	STREET IMPROVEMENT	OTHER GOVERNMENTAL FUNDS	AMBULANCE	INDUSTRIAL DEVELOPMENT COMMISSION		
	GENERAL CORPORATE	PROPERTY REPLACEMENT	STREET IMPROVEMENT	AMBULANCE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	INDUSTRIAL DEVELOPMENT COMMISSION
ASSETS							
Cash and Investments	\$ 2,430,084	\$ 5,065,376	\$ 362,701	\$ 61,474	\$ 2,642,124	\$ 10,561,759	\$ 42,957
Receivables (Net, Where Applicable of Allowance for Uncollectibles):							
Property Taxes	1,257,416			455,636	2,058,519	3,771,571	
Replacement Tax Receivable	21,426			3,122	8,951	33,499	
Accounts Receivable	125,262			737,448		862,710	
Income Tax Receivable	241,781		212,969			241,781	
Sales Tax Receivable	424,522		610		27,649	637,491	
Other	61,959	13,968		170		104,356	34,371
Due from Other Fund		527,500				527,500	
Prepaid Expenses	70,484			1,523	196,421	268,428	
Restricted Cash					97,193	97,193	
Total Assets	\$ 4,632,934	\$ 5,606,844	\$ 576,280	\$ 1,259,373	\$ 5,030,857	\$ 17,106,288	\$ 77,328
LIABILITIES							
Accounts Payable	\$ 309,732	\$ 6,629	\$ 15,722		\$ 38,664	\$ 370,747	
Accrued Salaries and Benefits	228,932	64,429			49,105	342,466	
Due to Other Fund	70,000		\$ 405,000		52,500	527,500	
Total Liabilities	608,664	0	420,722	71,058	140,269	1,240,713	0
DEFERRED INFLOWS OF RESOURCES							
Unavailable Property Taxes	1,257,416	0	0	455,636	2,058,519	3,771,571	0
FUND BALANCES							
Nonspendable	70,484			1,523	196,421	268,428	
Restricted	58,620				1,950,547	2,009,167	77,328
Assigned		5,606,844	155,558	731,156	781,696	7,275,254	
Unassigned	2,637,750				(96,595)	2,541,155	
Total Fund Balances	2,766,854	5,606,844	155,558	732,679	2,832,069	12,094,004	77,328
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 4,632,934	\$ 5,606,844	\$ 576,280	\$ 1,259,373	\$ 5,030,857	\$ 17,106,288	\$ 77,328

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
RECONCILIATIONS OF THE GOVERNMENTAL FUNDS BALANCE SHEETS
TO THE STATEMENTS OF NET POSITION
APRIL 30, 2019
WITH COMPARATIVE AMOUNTS FOR APRIL 30, 2018

	2019	2018
Total fund balances for governmental funds	\$ 13,131,981	\$ 12,094,004
Total net position reported for governmental activities in the statements of net position is different because:		
Capital and intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$ 7,807,558	\$ 7,757,958
Construction in progress	1,658,735	667,265
Infrastructure, net of accumulated depreciation	22,847,343	24,357,369
Buildings and improvements, net of accumulated depreciation	4,231,671	4,430,104
Other improvements, net of accumulated depreciation	3,446,904	3,320,521
Equipment, net of accumulated depreciation	1,206,746	1,152,559
	41,198,957	41,685,776
Certain premiums paid on investments are not financial resources and therefore are not reported in the funds. Those premiums consist of:		
Bond premiums paid on certificates of deposit		163
Deferred outflows and inflows of resources related to defined benefit pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	6,375,442	3,220,708
Deferred inflows of resources related to pensions	(2,470,491)	(3,176,109)
Deferred outflows of resources related to defined benefit OPEB is applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to OPEB	44,317	
Certain liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities (both current and long-term) are reported in the statement of net position. Those liabilities consist of:		
Accrued interest	\$ (1,262,807)	\$ (1,120,349)
Bonds and notes payable	(7,395,128)	(8,584,731)
Bond premium, net of accumulated amortization	(13,251)	(23,096)
Net pension liability	(11,119,546)	(6,603,429)
Other post employment benefits	(1,275,029)	(1,171,898)
Compensated absences	(746,065)	(736,629)
	(21,811,826)	(18,240,132)
Total net position of governmental activities	\$ 36,468,380	\$ 35,584,410

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2019

	PRIMARY GOVERNMENT						TOTAL GOVERNMENTAL FUNDS	COMPONENT UNIT
	GENERAL CORPORATE	CITY PROPERTY REPLACEMENT	AMBULANCE	STREET IMPROVEMENT	OTHER GOVERNMENTAL FUNDS	INDUSTRIAL DEVELOPMENT COMMISSION		
Revenues:								
General Property Taxes	\$ 1,391,295		\$ 454,163		\$ 2,053,370	\$ 3,898,828		
Corporate Personal Property Replacement Taxes	118,146		16,345		36,471	170,962		
Intergovernmental	4,400,137		318,966	\$ 1,458,085	767,635	6,944,823		
Charges for Services	2,442,958		1,704,619		19,935	4,167,512		
Licenses, Permits and Other Taxes	282,042					282,042		
Fines and Forfeitures	19,613				3,100	22,713		
Revenue from Use of Property	96,666					96,666		
Grants and Contributions	562,792				31,200	593,992		
Miscellaneous and Interest Income	199,111	\$ 77,001	8,137	7,143	54,593	345,985	\$ 558	
Total Revenues	9,512,760	77,001	2,502,230	1,465,228	2,966,304	16,523,523	558	
Expenditures:								
Current-								
General Government	1,326,382				327,763	1,654,145		
Public Safety	3,401,414		2,683,545			6,084,959		
Highways and Streets	934,569				203,503	1,138,072		
Culture and Recreation	1,947,297				350,572	2,297,869		
Economic Development	431,300				63,092	494,392		
Employer's Contribution to Retirement Fund				284,215	894,799	894,799		
Capital Outlay	1,511,586		262,659			2,058,460		
Debt Service Expenditures-								
Other Debt Service Fees				551	200	751		
Principal Retirement	458,326			735,000	190,000	1,383,326		
Interest and Fixed Charges	23,088			11,760	102,063	136,911		
Total Expenditures	10,033,962	0	2,946,204	1,031,526	2,131,992	16,143,684	0	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(521,202)	77,001	(443,974)	433,702	834,312	379,839	558	
Other Financing Sources (Uses):								
Note Payable Proceeds			193,723			193,723		
Proceeds from Sale of Capital Assets	1,940		12,469			14,409		
Unrealized Appreciation of Investments	7,981		9	627	2,366	25,006		
Operating Transfers in	1,039,232	14,023	187,000			1,491,232		
Operating Transfers out	(115,000)	(767,000)			(184,232)	(1,066,232)		
Total Other Financing Sources (Uses)	934,153	(487,977)	393,201	627	(181,866)	658,138	0	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	412,951	(410,976)	(50,773)	434,329	652,446	1,037,977	558	
Fund Balance, Beginning of Year	2,766,854	5,606,844	732,679	155,558	2,832,069	12,094,004	77,328	
Fund Balance, End of Year	\$ 3,179,805	\$ 5,195,868	\$ 681,906	\$ 589,887	\$ 3,484,515	\$ 13,131,981	\$ 77,886	

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2018

	PRIMARY GOVERNMENT					TOTAL GOVERNMENTAL FUNDS	COMPONENT UNIT
	CITY GENERAL CORPORATE	CITY PROPERTY REPLACEMENT	AMBULANCE	STREET IMPROVEMENT	OTHER GOVERNMENTAL FUNDS		
Revenues:							
General Property Taxes	\$ 1,360,440		\$ 444,672		\$ 1,989,842	\$ 3,794,954	
Corporate Personal Property Replacement Taxes	104,152		13,943		39,973	158,068	
Intergovernmental	4,408,056		281,672	\$ 1,402,969	271,088	6,363,785	
Charges for Services	2,412,005		1,388,944		18,361	3,819,310	
Licenses, Permits and Other Taxes	251,510				2,753	251,510	
Fines and Forfeitures	18,345					21,098	
Revenue from Use of Property	90,883			117,425	9,420	495,392	
Grants and Contributions	368,547			6,414	57,393	399,080	
Miscellaneous and Interest Income	262,868	\$ 65,714	6,691				\$ 1,893
Total Revenues	9,276,806	65,714	2,135,922	1,526,808	2,388,830	15,394,080	1,893
Expenditures:							
Current-							
General Government	1,325,568				291,357	1,616,925	
Public Safety	3,280,449		2,535,537			5,815,986	
Highways and Streets	898,993				134,085	1,033,078	
Culture and Recreation	1,885,398				274,655	2,160,053	
Economic Development	143,661				81,977	225,638	6
Employer's Contribution to Retirement Fund					930,104	930,104	
Capital Outlay	897,253			200,865	45,222	1,143,340	
Debt Service Expenditures-							
Other Debt Service Fees				418	200	618	
Principal Retirement	452,372			1,175,000	185,000	1,812,372	
Interest and Fixed Charges	29,253			25,859	105,763	160,875	
Total Expenditures	8,912,947	0	2,535,537	1,402,142	2,048,363	14,898,989	6
Excess (Deficiency) of Revenues Over (Under) Expenditures	363,859	65,714	(399,615)	124,666	340,467	495,091	1,887
Other Financing Sources (Uses):							
Proceeds from Sale of Capital Assets	1,800		8,179			9,979	
Unrealized Depreciation of Investments	(8,972)	(16,182)	(217)	(780)	(2,358)	(28,509)	
Operating Transfers in	94,808	430,000	150,000			674,808	
Operating Transfers out	(280,000)	(225,000)			(19,808)	(524,808)	
Total Other Financing Sources (Uses)	(192,364)	188,818	157,962	(780)	(22,166)	131,470	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	171,495	254,532	(241,653)	123,886	318,301	626,561	1,887
Fund Balance, Beginning of Year	2,595,359	5,352,312	974,332	31,672	2,513,768	11,467,443	75,441
Fund Balance, End of Year	\$ 2,766,854	\$ 5,606,844	\$ 732,679	\$ 155,558	\$ 2,832,069	\$ 12,094,004	\$ 77,328

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
 RECONCILIATIONS OF THE STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENTS OF ACTIVITIES
 FOR THE YEAR ENDED APRIL 30, 2019
 WITH COMPARATIVE AMOUNTS FOR APRIL 30, 2018

	2019	2018
Net change in fund balances - total governmental funds	\$ 1,037,977	\$ 626,561
<p>Amounts reported for governmental activities in the statements of activities are different because:</p>		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation expense exceeded capital outlay in the current period.	(486,819)	(1,379,179)
In the governmental funds, bond and CD premiums are amortized over the life of the bonds and this amortization reduces the amount of interest expense recorded on the bonds. This amount represents the net effect of the amortization of bond and CD premiums.	9,682	12,587
Proceeds from new notes payable are recorded as revenues in the governmental funds but increase liabilities in the statement of net position.	(193,723)	
Some expenses, including accrued interest, OPEB, and compensated absences, reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(210,708)	(216,304)
Governmental funds report defined benefit pension contributions as expenditures. However in the Statement of Activities, the cost of defined benefit pension benefits earned net of employee contributions is reported as pension expense.	(655,765)	(814,562)
Repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.	1,383,326	1,812,372
Change in net position of governmental activities	\$ 883,970	\$ 41,475

CITY OF HIGHLAND, ILLINOIS
BALANCE SHEETS
ENTERPRISE FUNDS
APRIL 30, 2019

	ASSETS		LIGHT AND POWER	WATER	SEWER	SOLID WASTE	TOTALS		
Current Assets:									
Cash and Investments	\$	2,611,672	\$	3,594,402	\$	2,479,350	\$	9,356,367	
Receivables:									
Accounts, Net		546,847		85,850		81,108		815,309	
Unbilled Revenue		798,114		182,569		151,973		1,239,203	
Other Receivable		8,947		11,879		8,194		31,237	
Other Current Assets		124,479		35,878		34,291		194,648	
Total Current Assets		4,090,059		3,910,578		2,754,916		11,636,764	
Restricted Assets:									
Cash and Investments		95,746		322,271				418,017	
Capital Assets (Net of Accumulated Depreciation)		25,429,258		8,116,245		4,440,616		37,986,119	
Land		1,708,936		401,635		50,143		2,160,714	
Construction in Progress		270,058		20,788		692,228		983,074	
Total Noncurrent Assets		27,503,998		8,860,939		5,182,987		41,547,924	
Total Assets		31,594,057		12,771,517		7,937,903		53,184,688	
DEFERRED OUTFLOWS OF RESOURCES									
Related to OPEB		10,833		3,939		3,939		18,711	
Related to Pensions		1,259,943		459,448		446,073		2,165,464	
Total Deferred Outflows of Resources		1,270,776		463,387		450,012		2,184,175	
Total Assets and Deferred Outflows of Resources		\$	32,864,833	\$	13,234,904	\$	8,387,915	\$	55,368,863
LIABILITIES									
Current Liabilities (Payable from Current Assets):									
Accounts Payable		966,081		438,628		68,614		1,624,239	
Accrued Interest Payable				4,872		6,545		11,417	
Current Portion Notes Payable				143,000				143,000	
Current Portion Maintenance Agreement Payable				168,903				168,903	
Accrued Salaries and Benefits		83,572		36,656		29,561		149,789	
Premium on Revenue Bonds						19,109		19,109	
Total Current Liabilities (Payable from Current Assets)		1,049,653		792,059		123,829		2,116,457	
Current Liabilities (Payable from Restricted Assets):									
Customer Deposits		95,746						95,746	
Current Portion Revenue Bonds		650,000				120,000		770,000	
Accrued Interest on Revenue Bonds		170,501						170,501	
Total Current Liabilities (Payable from Restricted Assets)		916,247		0		120,000		1,036,247	
Long-Term Liabilities:									
Revenue Bonds (Net of Current Portion)		9,725,000		1,450,000		2,110,000		11,835,000	
Notes Payable (Net of Current Portion)				54,255				54,255	
Maintenance Agreement Payable (Net of Current Portion)		187,425		84,858		74,272		346,555	
Compensated Absences		1,167,405		420,219		438,030		2,025,654	
Net Pension Liability		311,675		113,336		113,336		538,347	
Other Post Employment Benefits Payable		11,391,505		2,122,668		2,735,638		16,249,811	
Total Long-Term Liabilities		13,357,405		2,914,727		2,979,467		19,402,515	
Total Liabilities		584,909		210,544		219,468		1,014,921	
DEFERRED INFLOWS OF RESOURCES									
Related to Pensions		17,033,252		6,722,510		2,952,987		26,708,749	
NET POSITION									
Net Investment in Capital Assets, Net of Related Debt		95,746		322,271				418,017	
Restricted For Long Term Debt		1,793,521		3,064,852		2,235,993		7,824,661	
Unrestricted		18,922,519		10,109,633		5,188,980		34,951,427	
Total Net Position		32,864,833		13,234,904		8,387,915		55,368,863	

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
BALANCE SHEETS
ENTERPRISE FUNDS
APRIL 30, 2018

	<u>ASSETS</u>				TOTALS
	LIGHT AND POWER	WATER	SEWER	SOLID WASTE	
Current Assets:					
Cash and Investments	\$ 2,641,841	\$ 2,917,444	\$ 1,950,461	\$ 633,219	\$ 8,142,965
Receivables:					
Accounts, Net	631,060	81,103	80,224	77,035	869,422
Unbilled Revenue	833,693	175,447	144,690	100,293	1,254,123
Other Receivable	7,476	8,046	5,379	1,746	22,647
Other Current Assets	155,207	42,060	40,377		237,644
Total Current Assets	4,269,277	3,224,100	2,221,131	812,293	10,526,801
Restricted Assets:					
Cash and Investments	68,995				68,995
Capital Assets (Net of Accumulated Depreciation)	26,106,279	6,925,433	4,709,236		37,740,948
Land	1,599,421	401,635	50,143		2,051,199
Construction in Progress	233,101	66,392	634,943		934,436
Total Noncurrent Assets	28,007,796	7,393,460	5,394,322	0	40,795,578
Total Assets	32,277,073	10,617,560	7,615,453	812,293	51,322,379
Related to Pensions	439,469	157,399	131,355		728,223
Total Assets and Deferred Outflows of Resources	\$ 32,716,542	\$ 10,774,959	\$ 7,746,808	\$ 812,293	\$ 52,050,602
Current Liabilities (Payable from Current Assets):					
Accounts Payable	\$ 955,610	\$ 129,943	\$ 197,107	\$ 116,409	\$ 1,399,069
Accrued Interest Payable			6,795		6,795
Current Portion Maintenance Agreement Payable	69,131	168,896	27,653		168,896
Accrued Salaries and Benefits		33,241	20,427		130,025
Premium on Revenue Bonds					20,427
Total Current Liabilities (Payable from Current Assets)	1,024,741	332,080	251,982	116,409	1,725,212
Current Liabilities (Payable from Restricted Assets):					
Customer Deposits	68,995				68,995
Current Portion Revenue Bonds	630,000		115,000		745,000
Accrued Interest on Revenue Bonds	178,284				178,284
Total Current Liabilities (Payable from Restricted Assets)	877,279	0	115,000	0	992,279
Long-Term Liabilities:					
Revenue Bonds (Net of Current Portion)	10,375,000		2,230,000		12,605,000
Maintenance Agreement Payable (Net of Current Portion)		223,158			223,158
Compensated Absences	185,104	89,964	70,140		345,208
Net Pension Liability	124,121	43,920	43,920		210,126
Other Post Employment Benefits Payable	286,464	104,168	104,168		494,800
Total Long-Term Liabilities	10,970,689	459,375	2,448,228	0	13,878,292
Total Liabilities	12,872,709	791,455	2,815,210	116,409	16,595,783
Related to Pensions	807,043	273,638	285,571		1,366,252
Net Investment in Capital Assets, Net of Related Debt	16,933,801	7,001,406	3,049,322		26,984,529
Restricted for Long Term Debt	68,995				68,995
Unrestricted	2,033,994	2,708,460	1,596,705	695,884	7,035,043
Total Net Position	19,036,790	9,709,866	4,646,027	695,884	34,088,567
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 32,716,542	\$ 10,774,959	\$ 7,746,808	\$ 812,293	\$ 52,050,602

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED APRIL 30, 2019

	LIGHT AND POWER	WATER	SEWER	SOLID WASTE	TOTALS
Operating Revenues:					
Charges for Services	\$ 17,019,511	\$ 2,638,536	\$ 2,201,032	\$ 1,674,766	\$ 23,533,845
Connection Fees	27,333	49,720	76,530	8	153,591
Total Operating Revenues	<u>17,046,844</u>	<u>2,688,256</u>	<u>2,277,562</u>	<u>1,674,774</u>	<u>23,687,436</u>
Operating Expenses:					
Personnel Services	1,909,301	837,005	673,496		3,419,802
Contractual Services	2,775,621	401,318	472,526	1,637,497	5,286,962
Purchase Power (Less Generating Capacity Credit)	9,408,001				9,408,001
Supplies and Materials	336,497	232,205	97,673		666,375
Utilities	109,229	142,925	408		252,562
Depreciation and Amortization	1,856,781	721,481	442,086		3,020,348
Total Operating Expenses	<u>16,395,430</u>	<u>2,334,934</u>	<u>1,686,189</u>	<u>1,637,497</u>	<u>22,054,050</u>
Operating Income	<u>651,414</u>	<u>353,322</u>	<u>591,373</u>	<u>37,277</u>	<u>1,633,386</u>
Non-Operating Revenues (Expenses):					
Interest Income	42,435	59,386	35,398	10,239	147,458
Miscellaneous	67,232	39,972	11,234		118,438
Unrealized Appreciation of Investments	7,367	10,147	6,971	1,895	26,380
Interest Expense	(527,069)	(31,860)	(78,473)		(637,402)
Service Charges	(250)		(150)		(400)
Total Non-Operating Revenues (Expenses)	<u>(410,285)</u>	<u>77,645</u>	<u>(25,020)</u>	<u>12,134</u>	<u>(345,526)</u>
Income Before Operating Transfers	241,129	430,967	566,353	49,411	1,287,860
Operating Transfers:					
Transfers Out	(355,400)	(31,200)	(23,400)	(15,000)	(425,000)
Total Operating Transfers	<u>(355,400)</u>	<u>(31,200)</u>	<u>(23,400)</u>	<u>(15,000)</u>	<u>(425,000)</u>
Increase (Decrease) in Net Position	(114,271)	399,767	542,953	34,411	862,860
Total Net Position, Beginning of Year	19,036,790	9,709,866	4,646,027	695,884	34,088,567
Total Net Position, End of Year	<u>\$ 18,922,519</u>	<u>\$ 10,109,633</u>	<u>\$ 5,188,980</u>	<u>\$ 730,295</u>	<u>\$ 34,951,427</u>

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED APRIL 30, 2018

	LIGHT AND POWER	WATER	SEWER	SOLID WASTE	TOTALS
Operating Revenues:					
Charges for Services	\$ 16,523,976	\$ 2,595,124	\$ 2,141,759	\$ 1,636,834	\$ 22,897,693
Connection Fees	24,860	33,825	38,265		96,950
Total Operating Revenues	<u>16,548,836</u>	<u>2,628,949</u>	<u>2,180,024</u>	<u>1,636,834</u>	<u>22,994,643</u>
Operating Expenses:					
Personnel Services	1,778,422	851,110	681,154		3,310,686
Contractual Services	2,681,246	349,435	493,499	1,538,622	5,062,802
Purchase Power (Less Generating Capacity Credit)	9,227,281				9,227,281
Supplies and Materials	386,521	183,771	85,016	5,040	660,348
Utilities	111,716	146,422	3,556		261,694
Depreciation and Amortization	1,903,636	705,271	826,445		3,435,352
Total Operating Expenses	<u>16,088,822</u>	<u>2,236,009</u>	<u>2,089,670</u>	<u>1,543,662</u>	<u>21,958,163</u>
Operating Income	460,014	392,940	90,354	93,172	1,036,480
Non-Operating Revenues (Expenses):					
Interest Income	36,770	37,593	30,206	8,287	112,856
Miscellaneous	130,870	34,639	30,683		196,192
Unrealized Depreciation of Investments	(9,852)	(10,296)	(6,855)	(2,235)	(29,238)
Interest Expense	(548,754)		(88,975)		(637,729)
Service Charges	(250)		(150)		(400)
Total Non-Operating Revenues (Expenses)	<u>(391,216)</u>	<u>61,936</u>	<u>(35,091)</u>	<u>6,052</u>	<u>(358,319)</u>
Income (Loss) Before Operating Transfers	68,798	454,876	55,263	99,224	678,161
Operating Transfers:					
Transfers Out	(150,000)				(150,000)
Total Operating Transfers	<u>(150,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(150,000)</u>
Increase (Decrease) in Net Position	(81,202)	454,876	55,263	99,224	528,161
Total Net Position, Beginning of Year - Restated	19,117,992	9,254,990	4,590,764	596,660	33,560,406
Total Net Position, End of Year	<u>\$ 19,036,790</u>	<u>\$ 9,709,866</u>	<u>\$ 4,646,027</u>	<u>\$ 695,884</u>	<u>\$ 34,088,567</u>

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED APRIL 30, 2019

	LIGHT AND POWER	WATER	SEWER	SOLID WASTE	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received from Customers	\$ 17,291,347	\$ 2,722,541	\$ 2,286,716	\$ 1,678,558	\$ 23,979,162
Cash Payments for Goods and Services	(12,611,760)	(457,616)	(693,597)	(1,635,602)	(15,398,575)
Cash Payments to Employees	(1,877,485)	(820,476)	(648,939)		(3,346,900)
Net Cash Provided by Operating Activities	2,802,102	1,444,449	944,180	42,956	5,233,687
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Repayments of Loans from Other Funds	(355,400)	(31,200)	(23,400)	(15,000)	(425,000)
Net Cash Used by Non-Capital Financing Activities	(355,400)	(31,200)	(23,400)	(15,000)	(425,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Interest Paid	(534,852)	(26,988)	(78,723)		(640,563)
Payments for Capital Acquisitions	(1,326,232)	(1,866,689)	(230,751)		(3,423,672)
Proceeds from Loans	1,665,000				1,665,000
Repayments of Loans	(630,000)	(240,896)	(115,000)		(985,896)
Net Cash Used by Capital and Related Financing Activities	(2,491,084)	(469,573)	(424,474)	0	(3,385,131)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Receipts of Interest	40,964	55,553	32,583	9,768	138,868
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	(3,418)	999,229	528,889	37,724	1,562,424
CASH AND INVESTMENTS, BEGINNING OF YEAR	2,710,836	2,917,444	1,950,461	633,219	8,211,960
CASH AND INVESTMENTS, END OF YEAR	\$ 2,707,418	\$ 3,916,673	\$ 2,479,350	\$ 670,943	\$ 9,774,384
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating Income	\$ 651,414	\$ 353,322	\$ 591,373	\$ 37,277	\$ 1,633,386
Adjustments to Reconcile Operating Income to Net Cash Provided By Operating Activities:					
Depreciation and Amortization Expense	1,856,781	721,481	442,086		3,020,348
Miscellaneous Revenues	67,232	39,972	11,234	(400)	118,438
Service Charges	(250)		(150)		(400)
Amortization of Bond Premium			(1,318)		(1,318)
Unrealized Appreciation of Investments	7,367	10,147	6,971	1,895	26,380
(Increase) Decrease in Accounts Receivables	84,213	(4,747)	(884)	(24,469)	54,113
(Increase) Decrease in Unbilled Revenue	35,579	(7,122)	(7,283)	(6,254)	14,920
Decrease in Other Current Assets	30,728	6,182	6,086		42,996
Increase in Deferred Outflows Related to Pensions	(831,307)	(305,988)	(318,657)		(1,455,952)
Increase (Decrease) in Accounts Payable	10,471	308,685	(128,493)	34,507	225,170
Increase in Accrued Salaries and Benefits	14,441	3,415	1,908		19,764
Increase (Decrease) in Compensated Absences	2,321	(5,106)	4,132		1,347
Increase in Customer Deposits	26,751				26,751
Increase in Other Post Employment Benefits	25,211	9,168	9,168		43,547
Increase in Net Pension Liability	1,043,284	378,134	394,110		1,815,528
Decrease in Deferred Inflows Related to Pensions	(222,134)	(63,094)	(66,103)		(351,331)
Total Adjustments	2,150,688	1,091,127	352,807	5,679	3,600,301
Net Cash Provided by Operating Activities	\$ 2,802,102	\$ 1,444,449	\$ 944,180	\$ 42,956	\$ 5,233,687

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED APRIL 30, 2018

	LIGHT AND POWER	WATER	SEWER	SOLID WASTE	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 16,691,284	\$ 2,667,703	\$ 2,230,480	\$ 1,642,433	\$ 23,231,900
Cash Payments for Goods and Services	(12,548,803)	(776,885)	(426,571)	(1,550,557)	(15,302,816)
Cash Payments to Employees	(1,800,183)	(817,099)	(642,503)		(3,259,785)
Net Cash Provided by Operating Activities	<u>2,342,298</u>	<u>1,073,719</u>	<u>1,161,406</u>	<u>91,876</u>	<u>4,669,299</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Repayment of Loans from Other Funds	(88,864)	0	0	0	(88,864)
Net Cash Used by Non-Capital Financing Activities	<u>(88,864)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(88,864)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Interest Paid	(555,705)		(91,304)		(647,009)
Payments for Capital Acquisitions	(857,610)	(315,641)	(901,912)		(2,075,163)
Repayments of Loans	(610,000)	(168,384)	(556,515)		(1,334,899)
Net Cash Used by Capital and Related Financing Activities	<u>(2,023,315)</u>	<u>(484,025)</u>	<u>(1,549,731)</u>	<u>0</u>	<u>(4,057,071)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Receipts of Interest	36,372	36,183	31,508	8,085	112,148
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	<u>266,491</u>	<u>625,877</u>	<u>(356,817)</u>	<u>99,961</u>	<u>635,512</u>
CASH AND INVESTMENTS, BEGINNING OF YEAR	<u>2,444,345</u>	<u>2,291,567</u>	<u>2,307,278</u>	<u>533,258</u>	<u>7,576,448</u>
CASH AND INVESTMENTS, END OF YEAR	<u>\$ 2,710,836</u>	<u>\$ 2,917,444</u>	<u>\$ 1,950,461</u>	<u>\$ 633,219</u>	<u>\$ 8,211,960</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating Income	\$ 460,014	\$ 392,940	\$ 90,354	\$ 93,172	\$ 1,036,480
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation and Amortization Expense	1,903,636	705,271	826,445		3,435,352
Miscellaneous Revenues	130,870	34,639	30,683		196,192
Service Charges	(250)		(150)		(400)
Amortization of Bond Premium			(1,318)		(1,318)
Unrealized Depreciation of Investments	(9,852)	(10,296)	(6,855)	(2,235)	(29,238)
(Increase) Decrease in Accounts Receivables	(85,149)	(2,651)	2,089	191	(85,520)
Decrease in Unbilled Revenue	82,428	6,766	17,685	5,408	112,287
(Increase) Decrease in Other Current Assets	5,526	(5,092)	(6,352)		(5,918)
Decrease in Deferred Outflows Related to Pensions	237,625	58,929	59,888		356,442
Increase (Decrease) in Accounts Payable	(131,937)	(81,869)	170,175	(4,660)	(48,291)
Increase in Accrued Salaries and Benefits	6,165	2,957	2,809		11,931
Increase (Decrease) in Compensated Absences	(11,436)	2,058	3,555		(5,823)
Increase in Customer Deposits	8,773				8,773
Increase in Other Post Employment Benefits	2,854	5,256	5,256		13,366
Decrease in Net Pension Liability	(880,446)	(254,611)	(262,446)		(1,397,503)
Increase in Deferred Inflows Related to Pensions	623,477	219,422	229,588		1,072,487
Total Adjustments	<u>1,882,284</u>	<u>680,779</u>	<u>1,071,052</u>	<u>(1,296)</u>	<u>3,632,819</u>
Net Cash Provided by Operating Activities	<u>\$ 2,342,298</u>	<u>\$ 1,073,719</u>	<u>\$ 1,161,406</u>	<u>\$ 91,876</u>	<u>\$ 4,669,299</u>

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
STATEMENTS OF NET POSITION
FIDUCIARY FUND

		POLICEMEN'S PENSION TRUST FUND APRIL 30,	
<u>ASSETS</u>		2019	2018
Cash		\$ 0	\$ 560,853
Receivables:			
Property Taxes, Current Year Levy		634,801	575,066
Interest Receivable		41,258	
Total Receivables		<u>676,059</u>	<u>575,066</u>
Investments:			
Certificates of Deposit and Interest Bearing Accounts		204,448	99,000
Municipal Bonds		3,920,557	3,485,376
Mutual Funds		7,434,423	6,929,134
Total Investments		<u>11,559,428</u>	<u>10,513,510</u>
Total Assets		<u>\$ 12,235,487</u>	<u>\$ 11,649,429</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable Property Taxes		<u>\$ 634,801</u>	<u>\$ 575,066</u>
<u>NET POSITION</u>			
Net Position Held in Trust for Pension Benefits and Other Purposes		<u>11,600,686</u>	<u>11,074,363</u>
Total Deferred Inflows of Resources and Net Position		<u>\$ 12,235,487</u>	<u>\$ 11,649,429</u>

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
 STATEMENTS OF CHANGES IN NET POSITION
 FIDUCIARY FUND

	POLICEMEN'S PENSION TRUST FUND	
	YEARS ENDED APRIL 30,	
	2019	2018
Additions:		
General Property Taxes:		
Real Estate	\$ 573,244	\$ 552,495
Intergovernmental:		
Corporate Personal Property Replacement Tax	6,900	6,900
Miscellaneous:		
Interest and Dividend Income	369,637	195,565
Employee Contributions	159,751	145,573
Net Unrealized Appreciation of Investments	241,690	438,708
Total Additions	1,351,222	1,339,241
Deductions:		
Benefit Payments	786,208	688,165
Administration	38,691	13,674
Amortization		111,720
Total Deductions	824,899	813,559
Increase in Net Position	526,323	525,682
Net Position, Beginning of Year	11,074,363	10,548,681
Net Position, End of Year	\$ 11,600,686	\$ 11,074,363

The accompanying notes are an integral part of the financial statements.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The City of Highland, Illinois, was incorporated April 4, 1884. The City is a non-home rule unit and operates under a managerial council form of government. Under this form of government the City council is legislative, except that it is empowered to approve all expenses and liabilities, and the manager is the administrative and executive head of government.

The accounting policies of the City of Highland conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies:

(A) PRINCIPLES USED TO DETERMINE SCOPE OF ENTITY

The City's reporting entity includes the City's governing board and all related organizations for which the City exercises significant influence.

The City has developed criteria to determine whether outside agencies with activities which benefit the citizens of the City should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the City exercises significant influence (which includes financial benefit or burden, appoints a voting majority, ability to significantly impose its will, and fiscal independence).

The City has determined that a component unit exists as of April 30, 2013. The Industrial Development Commission (IDC) was established by the City Council pursuant to the authority conferred by Section 11-74-4(8) of the Industrial Project Revenue Act (65 ILCS 5/11-74-4(8)) by Ordinance #2365 adopted and approved on July 6, 2009. The IDC meets monthly and makes recommendations about economic development decisions to the City Council. The IDC is a discretely presented component unit.

(B) BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The accounting policies of the City of Highland, Illinois, conform to accounting policies generally accepted in the United States of America as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City's funds are grouped into three broad fund categories and six generic fund types for financial statement presentation purposes. Governmental funds include the general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The City also has one fiduciary agency fund.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the City and the primary government, as a whole, excluding fiduciary activities such as employee pension plans. These statements distinguish between activities that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net position should be reported as restricted when constraints placed on the net position's use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments, imposed by law through constitutional provisions or enabling legislation. The net position restricted for other purposes results from special revenue funds and the restrictions on its net position use.

(ii) FUND FINANCIAL STATEMENTS

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The City reports the following major governmental funds:

General Fund - The government's primary operating fund. This fund is used to account for and report all financial resources not accounted for or reported in another fund.

Special Revenue - Ambulance - The fund that accounts for proceeds of specific revenue sources (other than those for major capital projects) that are restricted or committed to expenditure for the specified purposes of providing ambulance services.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Projects - City Property Replacement - This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities (other than those financed by proprietary funds and trust funds).

Capital Projects - Street Improvement - This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of major street and infrastructure improvements.

The City reports the following major proprietary funds:

Light and Power Fund - This fund operates the electrical distribution system and includes the fiber-optic system that provides high-speed internet, television, and telephone services to customers in Highland.

Water Fund - This fund operates the water distribution system.

Sewer Fund - This fund operates the sewer treatment plant, sewage pumping stations, and collection systems.

Solid Waste Fund - This fund operates the collection of solid waste pickup.

(iii) GOVERNMENTAL FUNDS

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. The length of time to define available is 60 days or less. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

(a) REVENUE RECOGNITION

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available. This concept includes investment earnings, fines and forfeitures, and state-levied locally shared taxes (including motor vehicle fees).

Property taxes and special assessments (in the debt service funds), though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax and special assessment receivables are recorded and offset with a deferred inflow of resources until they become available.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) EXPENDITURE RECOGNITION

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which has not matured, is recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

(iv) PROPRIETARY FUNDS

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. They report charges for services and connection fees as operating revenues, and items such as interest income, grants, and other miscellaneous items as non-operating revenues. The economic resource focus determines costs as a means of maintaining capital investment and management control. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds, and unbilled utility receivables are recorded at each year end.

(v) FIDUCIARY FUNDS

The City currently has one fiduciary fund. The Policemen's Pension Trust Fund is used to account for pension assets held by the City in a trustee capacity. This fund is accounted for and reported in a manner similar to proprietary funds since capital maintenance is critical.

(C) VACATION AND SICK LEAVE

Vacation leave is accrued for full-time employees, temporary employees, and supervisors of the City at the rate of one average work week per year upon completion of the first year of continuous service. These employees are granted two average work weeks per year following completion of the second year of continuous service through the sixth year. For the seventh through the eleventh year, three average work weeks are earned per year. From the twelfth through the twentieth year, four average work weeks are earned per year and five average work weeks per year are earned following the twentieth year and thereafter. Sick leave is accrued for full-time City employees at the rate of 13 days a year. These employees can accumulate 30 days of vested sick pay and an additional 60 days of non-vested sick pay. Terminated employees are compensated for sick leave up to 30 days. The City does not accrue the additional 60 days of sick pay, representing \$710,756 of benefits, which are non-vesting. However, for the accrued vacation and vested sick pay days, the City is liable in the approximate amount of \$746,065 for payments to qualified employees of the governmental activities and \$346,555 for payments to qualified employees of the business-type activities.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(D) CASH AND INVESTMENTS

The City maintains an investment pool that is available for use by all funds, except those of certain special revenue and agency funds. The City maintains a separate accounting of each fund's balance in the pool. Additionally, the City participates in the Illinois Fund. Investment income earned on pooled investments is distributed to the appropriate funds based on the average daily balance of the investments in each fund.

Investments are stated at fair value. Fair value for investments is determined by closing market prices at year-end as reported by the investment custodian.

All cash and investments of the proprietary funds are considered highly liquid, as these funds participate in the City's investment pool. Consequently, these are considered to be cash and cash equivalents for cash flow purposes.

Restricted cash on the financial statements represents cash for customer deposits, street bonds, fiber bonds, electric bonds, and TIF bonds.

(E) GOVERNMENTAL RECEIVABLES

Long-term receivables due to governmental funds are reported on the balance sheets, in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables. The City has determined that an allowance for uncollectible receivables is not needed based on prior years' collections.

(F) ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

(G) DEBT PREMIUMS, DISCOUNTS, AND ISSUANCE COSTS

On the government-wide statement of net position and the proprietary fund statement of net position, debt premiums and discounts are shown separately from debt payable, and debt issuance costs are recognized as an outflow of resources in the period incurred. In addition, unamortized debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

At the government fund reporting level, debt premiums and discounts are reported as inflows or outflows of resources in the period incurred.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(H) NET POSITION

Net position is calculated by taking assets plus deferred outflows of resources less liabilities and deferred inflows of resources. The portion of net position that is titled “Invested in Capital Assets, Net of Related Debt” is capital assets less accumulated depreciation and outstanding debt related to the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are legal limitations imposed on its use by City legislation or external restrictions by other governments, creditors, or grantors. The City’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

(I) DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period, and therefore, will not be recognized as an outflow of resources until that time. The government-wide statements report deferred outflows of resources related to the pension and OPEB plans. This deferred outflow represents the combination of changes in assumptions and the difference between projected and actual earnings on pension plan investments to be recognized in a future period.

In addition to liabilities, the statement of financial position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period, and therefore, will not be recognized as an inflow of resources (revenue) until that time. The government-wide statements report unavailable revenues from property taxes and amounts related to pension and OPEB plans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

(J) CAPITAL ASSETS AND DEPRECIATION

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in government-wide statements. Infrastructure such as streets, traffic signals and signs are capitalized in the government-wide statements. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated fixed assets are reported at their fair value as of the date received. The City maintains a capitalization threshold of \$15,000.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as those used for the general capital assets.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings - 20 to 50 years; improvements/infrastructure - 5 to 50 years; equipment - 3 to 25 years.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(K) GOVERNMENTAL FUND BALANCES

The City elected to implement GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in the fiscal year ended April 30, 2012. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts with constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution. The City had no committed fund balances on April 30, 2019.

Assigned – Amounts that are constrained by an intent to be used for specific purposes but are neither restricted nor committed. The City Council has designated the City Manager and Finance Director the authority to make assignments.

Unassigned – All amounts not included in other spendable classifications.

For the classification of fund balance, the City requires restricted amounts to be spent first when both restricted and unrestricted fund balances are available unless there are legal documents or contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balances, followed by assigned fund balances and then unassigned fund balances when more than one classification for unrestricted fund balances are available.

(L) COMPARATIVE DATA

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative notes to the financial statements have not been presented since their inclusion would make the notes to the financial statements unduly complex and difficult to read.

(M) RECLASSIFICATIONS

Certain accounts related to the prior year have been restated to conform to current year's presentation. The reclassifications have no effect on net position.

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(N) CHANGES IN ACCOUNTING PRINCIPLES

During the fiscal year ended April 30, 2019, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which establishes new accounting and financial reporting requirements for OPEB plans. This Statement replaces the requirements of GASB Statements No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

Due to the changes in accounting principles described above, beginning net position as of April 30, 2017 has been restated as follows:

	<u>Governmental Activites</u>	<u>Light and Power</u>	<u>Water</u>	<u>Sewer</u>
Net Position,				
as Previously Reported	\$ 36,307,646	\$ 19,304,921	\$ 9,322,964	\$ 4,658,738
Change in Total Other Post				
Employment Benefits Liability	<u>(764,711)</u>	<u>(186,929)</u>	<u>(67,974)</u>	<u>(67,974)</u>
Net Position, as Restated	<u>\$ 35,542,935</u>	<u>\$ 19,117,992</u>	<u>\$ 9,254,990</u>	<u>\$ 4,590,764</u>

NOTE 2. CASH AND INVESTMENTS

Cash and investments as of April 30, 2019, including fiduciary funds, are classified in the accompanying financial statements as follows:

	<u>Primary Government</u>	<u>Component Unit</u>
Total Cash	\$ 9,962,075	\$ 77,886
Illinois Funds	1,665,782	
Total Investments	21,286,500	
Total	<u>\$ 32,914,357</u>	<u>\$ 77,886</u>

Cash includes \$950 of cash on-hand and \$10,002,383 of deposits with financial institutions for the primary government and \$77,886 deposited in a financial institution for the component unit.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

The City may invest in any type of security allowed by Illinois Law (Public Funds Investment Act of the State of Illinois: 30 ILCS 235/1 et. Seq. as amended). The summary of the allowable instruments are: Passbook Savings Account; NOW, Super NOW, and Money Market Accounts; Commercial Paper – issuer must be a U.S. corporation with more than \$500,000,000 in assets, rating must be within 3 highest qualifications by 2 standard rating services, must mature within 180 days of purchase, and such purchase cannot exceed 10% of the corporation's outstanding obligations, State treasurer's investment pool; Money Market Mutual Funds – registered under the Investment Company Act of 1940, provided the portfolio is limited to bonds, notes, certificates, treasury bills, or other securities which are guaranteed by the federal government as to principal or interest; Repurchase Agreement – collateralized by full faith in credit U.S. Treasury securities; Certificates of deposit and time deposits, constituting direct obligations of any bank as defined by the Illinois Banking Act and only those insured by the FDIC, legally issuable by savings and loan associates incorporated under the laws of the State of Illinois or any other state or under the laws of the United States and only in those savings and loan associations insured by SAIF, bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest, obligations of United States government agencies which are guaranteed by the full faith and credit of the United States government, short-term discount obligations of the Federal National Mortgage Association, insured account of credit unions whose principal office is in Illinois, various tax-exempt securities, and Illinois liquid assets.

The City's Police Pension Fund is regulated by the Illinois Department of Insurance – Public Pension Division. The Police Pension Fund may invest assets in treasury bills, treasury notes and bonds, bank loan deposits, the state investment pool, zero coupon bonds, guaranteed investment contracts, mutual funds containing stocks, bonds, money market instruments and real estate, mortgage pass-through securities, State of Illinois bonds, tax anticipation warrants, and credit union investments.

When permitted by law, the City will pool cash from several different funds that are accounted for in the City's annual financial report to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

The primary objectives, in priority order, of investment activity shall be safety, liquidity, and yield. Investments shall be made with judgment and care, under circumstances then prevailing, with persons of prudence, discretion, and intelligence who exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. City officials and employees shall disclose to the City any material financial interest in financial institutions that conduct business with the City, and they shall further disclose any large personal financial or investment positions that could be related to the performance of the City's portfolio. The City Treasurer, financial officers and others employed in a similar capacity shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

Authority to manage the investment program is granted to the Director of Finance and derived from the following: 65 ILCS 5/3.1-35-50 and the City of Highland Code by Resolution No. 99-12-1304.

Third party safekeeping is required for all collateral and for all securities. Safekeeping will be documented by an approved written agreement. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement, or custody agreement.

Any financial institution selected by the City shall provide normal banking services, including, but not limited to: checking accounts, wire transfers, purchase and sale of United States Treasury securities, and safekeeping services.

The City will not maintain funds in any financial institution that is not a member of the FDIC or SAIF system. In addition, the City will not maintain funds in any institution not willing to or capable of posting required collateral for funds in excess of FDIC or SAIF insurable limits.

Fees for banking services shall be mutually agreed to by an authorized representative of the depository bank and the Director of Finance in consultation with the City Manager and shall not be agreed to for any period exceeding three (3) years. Fees for services shall be substantiated by a monthly account analysis and shall be reimbursed by means of compensating balances.

All financial institutions acting as a depository for the City must enter into a "Depository Agreement". All financial institutions and brokers/dealers who desire to become qualified bidders for investment transactions must supply the following upon request by the Director of Finance or an agent of the Director of Finance: audited financial statements, proof of National Association of Securities Dealers (NASD) certification, proof of state registration, completed broker/dealer questionnaire, and certification of having read the City's investment policy.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table presents the fair value hierarchy for the balances of the investments of the City's Governmental Funds measured at fair value on a recurring basis as of April 30, 2019:

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of Deposit - Negotiable	\$ 3,947,413			\$ 3,947,413
Mutual Funds	7,062			7,062
	<u>\$ 3,954,475</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,954,475</u>

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

The following table presents the fair value hierarchy for the balances of the investments of the City's Police Pension Fund measured at fair value on a recurring basis as of April 30, 2019:

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Municipal Bonds	\$ 3,920,557			\$ 3,920,557
Mutual Funds	7,434,423			7,434,423
	<u>\$ 11,354,980</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,354,980</u>

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The assets measured at fair value for both the Governmental Funds and the Police Pension Fund are valued at the closing price reported on the active market on which the individual securities are traded.

(A) INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, an investment with a longer maturity date will have a greater sensitivity of its fair value to changes in market interest rates. One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flow from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments to market rate fluctuations is provided in the following table. As of April 30, 2019 the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Months)</u>			
		<u>12 Months or Less</u>	<u>13-36 Months</u>	<u>37-60 Months</u>	<u>> 60 Months</u>
Certificates of Deposit -Negotiable	\$ 3,947,413	\$ 1,331,720	\$ 1,177,974	\$ 1,437,719	
Certificates of Deposit -Non-Negotiable	5,977,043	1,992,307	349,000	3,635,736	
Bonds	3,920,557	192,426	661,765	1,095,737	\$ 1,970,629
Mutual Funds	7,441,485	7,441,485			
Total	<u>\$ 21,286,498</u>	<u>\$ 10,957,938</u>	<u>\$ 2,188,739</u>	<u>\$ 6,169,192</u>	<u>\$ 1,970,629</u>

(B) CREDIT RISK

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's state investment pool has earned Standard and Poor's highest rating (AAAm). The Policemen's Pension Trust Fund can also invest in stocks, bonds, and mutual funds. The mutual funds held by the Policemen's Pension Trust Fund are not rated for credit risk. The City's bond holdings of the Policemen's Pension Trust Fund have earned at least Standard and Poor's "BBB" rating.

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

(C) CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. All deposits are carried at cost plus accrued interest.

The City's balance in the state investment pool is fully collateralized. The City maintains a separate investment account representing a proportionate share of the pool assets and respective collateral; therefore no collateral is identified with each individual participant's account. As of April 30, 2019, the balance in the City's state investment pool was \$1,665,782.

The City's cash deposits, including the fiduciary fund, at April 30, 2019 consisted of the following:

<u>Depository Account</u>	<u>Primary Government Bank Balance</u>	<u>Component Unit Bank Balance</u>
Insured	\$ 11,063,444	\$ 77,886
Collateralized:		
Held by pledging bank's trust department in the City's name	10,537,745	
Total Deposits	<u>\$ 21,601,189</u>	<u>\$ 77,886</u>

(D) CONCENTRATIONS OF CREDIT RISK

The City's investment policy limits the amount of funds deposited and/or invested in a financial institution. Deposits/investments shall not exceed 65% of a capital stock and surplus of such institution unless collateral security has been pledged, in which case the amount of such deposits and/or investments shall not exceed 75%.

Investments in any one issuer that represent 5% or more of the total City investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
FCB Highland Bank	Certificates of Deposit	\$ 1,403,319

NOTE 3. RISK MANAGEMENT

The City of Highland is exposed to risks of loss from normal items typically applicable to all municipalities. These include liability, worker's injury, property damage, and other risks that are too numerous to mention. To reduce the City's risk of loss from damages and claims, the City has purchased commercial insurance from the Illinois Municipal League, which provides insurance coverage for property and liability claims for over 600 Illinois municipalities. Settlement claims have not exceeded insurance coverage for each of the past three fiscal years.

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 4. PROPERTY TAXES

The City's property tax is levied each year on all taxable real property located in the City on or before the last Tuesday in December. The 2018 levy was passed by the Council on December 17, 2018. Property taxes attach as an enforceable lien on property as of January 1, and are payable in four installments for 2019: July 10, September 10, October 10, and December 10. The County has not mailed tax bills as of April 30, 2019. The City receives significant distributions of tax receipts approximately one month after the bills are mailed by the County. In conjunction with NCGA Interpretation #3, revenue is accrued in the year of the levy to the extent that it is due to be paid by the taxpayer by April 30, 2019 and is expected to be collected soon enough after April 30, 2019 to be used to pay liabilities by June 30, 2019 (60 days or less) and has been budgeted for the current year.

The following are the tax rates applicable to the various levies per \$100 of assessed valuation:

	MAXIMUM							
	LEVY	2018	2017	2016	2015	2014	2013	2012
General Government	.3330	0.3291	0.3298	0.3279	0.3330	0.3220	0.3330	.3312
Police Protection	.0750	0.0742	0.0743	0.0739	0.0750	0.0726	0.0750	.0746
Fire Protection	.0750	0.0742	0.0743	0.0739	0.0750	0.0726	0.0750	.0746
Playground & Rec	.0900	0.0890	0.0892	0.0887	0.0900	0.0871	0.0900	.0895
Band	.0400	0.0211	0.0250	0.0255	0.0259	0.0259	0.0259	.0254
Social Security		0.2317	0.2446	0.2495	0.2619	0.2587	0.2099	.2040
Retirement		0.2291	0.2446	0.2495	0.2787	0.2756	0.2212	.2150
Liability Insurance		0.1712	0.1783	0.1636	0.1295	0.1294	0.1673	.1627
Crossing Guards	.0200	0.0048	0.0055	0.0056	0.0070	0.0068	0.0069	.0067
Audit		0.0106	0.0087	0.0089	0.0096	0.0096	0.0100	.0100
Municipal Ambulance	.2500	0.2471	0.2476	0.2462	0.2500	0.2418	0.2481	.2411
Community Building	.0750	0.0742	0.0743	0.0739	0.0750	0.0726	0.0750	.0746
Police Pension		0.3342	0.3125	0.3059	0.2367	0.2404	0.2324	.2200
Library	.1500	0.1483	0.1486	0.1477	0.1500	0.1451	0.1500	.1492
Library Liability Ins.		0.0187	0.0191	0.0183	0.0189	0.0175	0.0176	.0193
Public Comfort Station	.0333	0.0000	0.0109	0.0084	0.0141	0.0141	0.0171	.0124
TOTAL		<u>2.0575</u>	<u>2.0873</u>	<u>2.0674</u>	<u>2.0303</u>	<u>1.9918</u>	<u>1.9544</u>	<u>1.9103</u>

The City has established two tax increment financing (TIF) districts to encourage development within the redevelopment project areas and to enhance the value of those properties. In connection with the agreements of the redevelopment project areas, the real estate taxes, which relate to the incremental increase in property values within the redevelopment project areas, are paid directly to the TIF districts for investing in redevelopment projects within the TIF districts.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 5. CAPITAL ASSETS

Summary of capital assets for governmental activities for the year ended April 30, 2019:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Not Being Depreciated:				
Land	\$ 7,757,958	\$ 49,600		\$ 7,807,558
Construction in Progress	667,265	991,470		1,658,735
Subtotal	<u>8,425,223</u>	<u>1,041,070</u>	<u>\$ 0</u>	<u>9,466,293</u>
Other Capital Assets:				
Buildings and Improvements	11,375,488	47,664		11,423,152
Improvements	6,603,996	477,860		7,081,856
Equipment	6,496,677	427,501	(182,001)	6,742,177
Infrastructure	65,123,831	64,365		65,188,196
Subtotal	<u>89,599,992</u>	<u>1,017,390</u>	<u>(182,001)</u>	<u>90,435,381</u>
Accumulated Depreciation:				
Buildings and Improvements	6,945,384	246,097		7,191,481
Improvements	3,283,475	351,477		3,634,952
Equipment	5,344,118	373,314	(182,001)	5,535,431
Infrastructure	40,766,462	1,574,391		42,340,853
Subtotal	<u>56,339,439</u>	<u>2,545,279</u>	<u>(182,001)</u>	<u>58,702,717</u>
Net Other Capital Assets	<u>33,260,553</u>	<u>(1,527,889)</u>	<u>0</u>	<u>31,732,664</u>
Net Capital Assets	<u>\$ 41,685,776</u>	<u>\$ (486,819)</u>	<u>\$ 0</u>	<u>\$ 41,198,957</u>

Depreciation was charged to functions as follows:

Governmental Activities:	
General Government	\$ 120,619
Public Safety	297,718
Highways and Streets	1,696,700
Culture and Recreation	414,664
Economic Development	15,578
Total Governmental Activities Depreciation Expense	<u>\$ 2,545,279</u>

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 5. CAPITAL ASSETS (CONTINUED)

Summary of capital assets for business-type activities for the year ended April 30, 2019:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Not Being Depreciated				
Land	\$ 2,051,199	\$ 109,515		\$ 2,160,714
Construction in Progress	934,436	333,983	\$ (285,345)	983,074
Subtotal	<u>2,985,635</u>	<u>443,498</u>	<u>(285,345)</u>	<u>3,143,788</u>
Other Capital Assets:				
Buildings	19,881,381			19,881,381
Lines	48,757,139	2,974,031		51,731,170
Equipment	12,970,138	90,199		13,060,337
Other Improvements	15,408,181	92,837		15,501,018
Interconnect	5,725,160	108,452		5,833,612
Subtotal	<u>102,741,999</u>	<u>3,265,519</u>	<u>0</u>	<u>106,007,518</u>
Accumulated Depreciation:				
Buildings	17,357,206	227,421		17,584,627
Lines	25,679,683	1,263,150		26,942,833
Equipment	11,238,659	512,669		11,751,328
Other Improvements	8,209,322	825,143		9,034,465
Interconnect	2,516,181	191,965		2,708,146
Subtotal	<u>65,001,051</u>	<u>3,020,348</u>	<u>0</u>	<u>68,021,399</u>
Net Other Capital Assets	<u>37,740,948</u>	<u>245,171</u>	<u>0</u>	<u>37,986,119</u>
Net Capital Assets	<u>\$ 40,726,583</u>	<u>\$ 688,669</u>	<u>\$ (285,345)</u>	<u>\$ 41,129,907</u>

Depreciation was charged to functions as follows:

Business-Type Activities:

Light and Power	\$ 1,856,781
Water	721,481
Sewer	442,086
	<u>\$ 3,020,348</u>

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 6. LONG-TERM OBLIGATIONS

The following is a summary of transactions for long-term liabilities of the City for the year ended April 30, 2019:

	April 30, 2018	Additions	Reductions	April 30, 2019	Due Within One Year
Governmental Activities:					
Revenue Bonds	\$ 8,409,367		\$ (1,340,000)	\$ 7,069,367	\$ 991,787
Notes Payable	175,364	\$ 193,723	(43,326)	325,761	90,927
Compensated Absences	736,629	9,436		746,065	
Net Pension Liability - IMRF	294,420	3,298,816		3,593,236	
Net Pension Liability - Police Pension	6,309,009	1,217,301		7,526,310	
Other Post Employment Benefits - Restated	1,171,898	103,131		1,275,029	
Long-Term Accrued Interest	1,080,230	143,501		1,223,731	
Long-Term Liabilities	<u>\$ 18,176,917</u>	<u>\$ 4,965,908</u>	<u>\$ (1,383,326)</u>	<u>\$ 21,759,499</u>	<u>\$ 1,082,714</u>
Business-Type Activities:					
Revenue Bonds	\$ 13,350,000		\$ (745,000)	\$ 12,605,000	\$ 770,000
Notes Payable		\$ 1,665,000	(72,000)	1,593,000	143,000
Maintenance Agreements	392,054		(168,896)	223,158	168,903
Compensated Absences	345,208	1,347		346,555	
Net Pension Liability - IMRF	210,126	1,815,528		2,025,654	
Other Post Employment Benefits	494,800	43,547		538,347	
Long-Term Liabilities	<u>\$ 14,792,188</u>	<u>\$ 3,525,422</u>	<u>\$ (985,896)</u>	<u>\$ 17,331,714</u>	<u>\$ 1,081,903</u>

Revenue bonds and notes payable at April 30, 2019 were comprised of the following individual issuances:

Revenue Bonds

Governmental Activities:

The Korte Recreation Facility bonds were refinanced on August 4, 2014. The total bond principal amount is \$2,595,000. The bonds are being repaid in semi-annual installments representing interest at variable rates of .45% to 2.10% and annual principal installments beginning April 2015. The maturity dates of these refinanced bonds is October 1, 2020. Total interest due on remaining balance is \$17,220.

\$ 850,000

2010 street alternate bonds are due in annual installments ranging from \$211,156 to \$381,787 beginning January 2020 through January 2030. Beginning in fiscal year 2011, the bond starts compounding interest at 3.70% to 4.95%. Revenue bonds were issued for future improvements to the City's streets. Total interest due on remaining interest due on remaining balance is \$2,690,633.

3,199,367

Revenue bonds due in annual installments of \$175,000 to \$280,000 through January 2032 with average interest rate of 3.2%. The City issued bonds in 2012 to fund infrastructure improvements and reimburse certain redevelopment costs for the new hospital built in the City's TIF District #2. Total interest remaining \$752,713.

3,020,000

Total Revenue Bonds - Governmental Activities

\$ 7,069,367

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

Revenue Bonds

Business-Type Activities:

2010 Electric system revenue bonds due in various semi-annual installments. These bonds have an increasing interest rate from 1.5% upon issue to 6% in 2029. Revenue bonds were issued to raise funding for the City's Fiber-To-The-Premises Project. The total bond principal amount is \$8,985,000, of which \$353,376 is attributable to bond issue costs. The maturity date of the Series 2010 Bonds is January 1, 2032. Total interest due on the remaining balance is \$2,945,673. \$ 6,795,000

2012 Electric system revenue bonds due in various semi-annual installments. These bonds have an increasing interest rate from 2.0% upon issue to 4.1% in 2032. Revenue bonds were issued to increase funding for the City's Fiber-To-The-Premises Project. The total bond principal amount is \$4,225,000 of which \$128,913 is attributable to bond issue costs. The maturity date of the Series 2012 Bonds is January 1, 2032. The total interest due on the remaining balance is \$1,039,402. 3,580,000

2013 Sewerage system revenue bonds due in various semi-annual installments. These bonds have an increasing interest rate from 2.50% upon issue to 4.25% in 2033. Revenue bonds were issued to increase funding for the improvements to the sewer system. The total principal amount of the bonds is \$2,745,000, of which \$65,200 is attributable to bond issue costs. The maturity date of the bonds is October 1, 2033. The total interest due on the remaining balance is \$686,647. 2,230,000

Total Revenue Bonds - Business-Type Activities \$ 12,605,000

Notes Payable

Governmental Activities:

In 2017, the City purchased a 2017 Johnston VT651 Street Sweeper with financing provided by Bradford National Bank. The total loan amount was \$221,000 and is being repaid in monthly installments over a 5 year period at 2.24% interest. Total interest due on the remaining balance is \$4,484. \$ 132,038

In 2018, the City purchased a 2017 Ford F-450 Chassis with Braun Chief XL Ambulance with financing provided by First Collinsville Bank in Highland, Illinois. The total loan amount was \$193,723 and is being repaid in annual installments over a 4 year period at 2.55% interest. Total interest due on the remaining balance is \$12,516. 193,723

Total Notes Payable - Governmental Activities \$ 325,761

Business-Type Activities:

In 2018, the City borrowed funds from the State Bank of Bern with financing assistance from Sterns Brothers in order to complete water main improvements in the City of Highland. The total loan amount was \$1,665,000 and is being repaid in various semi-annual installments at an interest rate of 3.670%. The maturity date of this loan is October 1, 2028 and total interest due on the remaining balance is \$307,913. \$ 1,593,000

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

Details of maintenance agreements payable at April 30, 2019 were as follows:

Maintenance Agreements Payable

Business-Type Activities:

In 2010, the City contracted a private company to renovate and maintain the 1,000,000 gallon water storage tank at Silver Lake Park. The total amount of the zero-interest contract is \$508,290. The final payment on the contract is due September 2019. \$ 50,835

In 2015, the City contracted a private company to renovate and maintain the elevated downtown storage water tank in downtown Highland. The total amount of the zero-interest contract is \$117,578. The final payment on the contract is due in 2021. 39,706

In 2015, the City contracted a private company to renovate and maintain the standpipe water storage tank at Silver Lake Park. The total amount of the zero-interest contract is \$522,417. The final payment on the contract is due in 2021. 132,617

Total Maintenance Agreements Payable - Business-Type Activities \$ 223,158

The annual debt service requirements for long-term debt on April 30, 2019 were as follows:

YEAR ENDING APRIL 30	REVENUE BONDS PAYABLE	NOTES PAYABLE	MAINTENANCE AGREEMENTS PAYABLE	INTEREST	TOTAL PRINCIPAL & INTEREST
2020	\$ 1,761,787	\$ 233,927	\$ 168,903	\$ 917,273	\$ 3,081,890
2021	1,782,923	242,108	54,255	885,615	2,964,901
2022	1,356,036	245,447		857,710	2,459,193
2023	1,374,478	210,278		826,747	2,411,503
2024	1,391,261	166,000		794,900	2,352,161
2025-2029	7,296,727	821,001		3,392,848	11,510,576
2030-3034	4,711,155			782,108	5,493,263
Total	<u><u>\$ 19,674,367</u></u>	<u><u>\$ 1,918,761</u></u>	<u><u>\$ 223,158</u></u>	<u><u>\$ 8,457,201</u></u>	<u><u>\$ 30,273,487</u></u>

There are a number of limitations and restrictions contained in the various bond indentures.

The City was in compliance with all significant limitations and restrictions.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS

(A) ILLINOIS MUNICIPAL RETIREMENT FUND – REGULAR AND SLEP EMPLOYEES

(i) PLAN DESCRIPTION

The City of Highland’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City of Highland’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this note. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. This report is available for download at www.imrf.org.

(ii) BENEFITS PROVIDED

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff’s Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

(iii) EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2018, the following employees were covered by the benefit terms:

	REGULAR PLAN	SLEP PLAN
Retirees and Beneficiaries currently receiving benefits	84	0
Inactive Plan Members entitled to but not yet receiving benefits	53	1
Active Plan Members	108	0
Total	245	1

(iv) CONTRIBUTIONS

(a) REGULAR PLAN

As set by statute, the City's Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual required contribution rate for calendar year 2018 was 10.61%. For the fiscal year ended April 30, 2019, the City contributed \$662,664 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

(b) SLEP PLAN

As set by statute, the City's Regular plan members are required to contribute 7.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual required contribution rate for calendar year 2018 was 13.28%. For the fiscal year ended April 30, 2019, the City contributed \$0 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

(v) NET PENSION LIABILITY

The City of Highland's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

(vi) ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2018.

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.50%
Salary Increases	3.39% to 14.25%
Investment Rate of Return:	Regular 7.25%
	SLEP 7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2018 Illinois Municipal Retirement Fund annual actuarial valuation report.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2018:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20-8.50%
Cash Equivalents	1%	2.50%
Total	<u>100%</u>	

(vii) SINGLE DISCOUNT RATE

A Single Discount Rate of 7.25% for both the regular plan and the SLEP plan was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

(viii) CHANGES IN THE NET PENSION LIABILITY (ASSET)

(a) REGULAR PLAN

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, December 31, 2017	\$ 33,143,828	\$ 32,568,445	\$ 575,383
Changes for the year:			
Service Cost	621,283		621,283
Interest on the Total Pension Liability	2,447,068		2,447,068
Difference Between Expected and Actual Experience of the Total Pension Liability	938,637		938,637
Changes of Assumptions	1,032,887		1,032,887
Contributions - Employer		701,482	(701,482)
Contributions - Employees		301,376	(301,376)
Net Investment Income		(1,696,987)	1,696,987
Benefit Payments, Including Refunds of Employee Contributions	(1,653,797)	(1,653,797)	0
Other (Net Transfer)		689,364	(689,364)
Net Changes	<u>3,386,078</u>	<u>(1,658,562)</u>	<u>5,044,640</u>
Balance, December 31, 2018	<u>\$ 36,529,906</u>	<u>\$ 30,909,883</u>	<u>\$ 5,620,023</u>

(b) SLEP PLAN

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, December 31, 2017	\$ 110,459	\$ 181,296	\$ (70,837)
Changes for the year:			
Interest on the Total Pension Liability	8,284		8,284
Difference Between Expected and Actual Experience of the Total Pension Liability	(7,608)		(7,608)
Changes of Assumptions	3,568		3,568
Net Investment Income		(65,794)	65,794
Other (Net Transfer)		334	(334)
Net Changes	<u>4,244</u>	<u>(65,460)</u>	<u>69,704</u>
Balance, December 31, 2018	<u>\$ 114,703</u>	<u>\$ 115,836</u>	<u>\$ (1,133)</u>

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

(ix) SENSITIVITY IN THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<u>REGULAR PLAN</u>		<u>SLEP PLAN</u>	
	<u>Discount Rate</u>	<u>Net Pension Liability (Asset)</u>	<u>Discount Rate</u>	<u>Net Pension Liability (Asset)</u>
1% Decrease	6.25%	\$ 10,332,828	6.25%	\$ 15,039
Current Discount Rate	7.25%	5,620,023	7.25%	(1,133)
1% Increase	8.25%	1,766,048	8.25%	(14,452)

(x) PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended April 30, 2019, the City of Highland recognized pension expense of \$112,119. At April 30, 2019, the City of Highland recognized deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Regular Plan</u>		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,298,994	\$ 386,035	\$ 912,959
Changes of Assumptions	1,608,524	726,524	882,000
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,034,982	1,703,261	2,331,721
Pension Contributions Made Subsequent to the Measurement Date	175,867		175,867
Amortization of Deferred Outflows	(1,181,552)		(1,181,552)
Total Deferred Amounts Related to Pensions	<u>\$ 5,936,815</u>	<u>\$ 2,815,820</u>	<u>\$ 3,120,995</u>
	<u>SLEP Plan</u>		
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows of Resources</u>
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ 67,740	\$ 20,255	\$ 47,485
Amortization of Deferred Outflows	(1,276)		(1,276)
	<u>\$ 66,464</u>	<u>\$ 20,255</u>	<u>\$ 46,209</u>

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

Amounts realized as net deferred inflows of resources related to pensions will be realized in pension expense in future periods as follows:

Year Ending December 31,	Net Deferred Outflows of Resources	
	Regular Plan	SLEP Plan
2019	\$ 1,173,146	\$ 11,457
2020	425,157	9,743
2021	351,074	9,131
2022	1,128,914	15,878
2023	42,704	0
Total	\$ 3,120,995	\$ 46,209

(B) POLICE PENSION

(i) PLAN ADMINISTRATION

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contributions level are governed by Illinois Compiled Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois Legislature. The City accounts for the plan as a pension trust fund.

The plan is governed by a five member Board of Trustees. Two members of the board are appointed by the City, two are active members of the police department elected by the membership, and one is a retired member of the police department elected by the membership.

At April 30, 2018, the Police Pension Plan membership consisted of:

Inactive Plan Members of Beneficiaries Currently Receiving Benefits	13
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	1
Active Plan Members	20
Total	34

(ii) BENEFITS PROVIDED

The Plan provides retirement, disability, death, and termination benefits. The Police Pension Plan has two tiers. Police officers hired prior to January 1, 2011 are eligible for Tier 1. Police officers hired on or after January 1, 2011 are eligible for Tier 2.

Under Tier 1, a police officer age 50 or more with 20 or more years of creditable service shall receive a pension of one-half of the salary attached to the rank held by the officer at the date of retirement. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years of service through 30 years of service, to a maximum of 75% of such salary. The minimum monthly benefit is \$1,000 per month. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter. Those that retire prior to age 55 receive an increase of 1/12 of 3% for each full month from benefit commencement until age 55 is reached.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

Under Tier 2, a police officer age 55 or more with 10 or more years of creditable service shall receive a pension of 2.5% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary. An annual cost-of-living adjustment is calculated each January 1st. The increase is equal to 3% per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the 12 months ending with the September preceding each November 1st, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension state date, whichever is later.

Officers totally and permanently disabled as determined by the Board of Trustees are eligible to receive a disability benefit. Officers disabled in the performance of an act of duty are entitled to 65% of the salary attached to the rank held on the date of service and the monthly retirement pension that the member is entitled to receive if he or she retired immediately. If the disability occurs while the officer is not in performance of an act of duty, the officer is entitled to a disability benefit of 50% of the salary attached to the rank on the last day of service.

If an officer dies in the line of service, the named beneficiary is entitled to a death benefit equal to 100% of the officer's salary attached to the rank held by the officer on the last day of service. For a non-service death, the beneficiary would receive a maximum of 50% of the salary attached to the rank held by the officer on the last day of service, and the monthly retirement pension earned by the deceased officer at the time of death, regardless of whether death occurs before or after age 50. For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

After termination of service, an officer with less than 10 years of service will receive a refund of their contributions. If the officer has 10 or more years of service, the officer will receive either a refund of their contributions, or the termination benefit, payable upon reaching age 60 provided contributions are not withdrawn. The termination benefit is 2.50% of the annual salary held in the year prior to termination times years of creditable service.

(iii) CONTRIBUTIONS

Plan members are required to contribute 9.91% of their base salary to the Police Pension Plan. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary.

(iv) INVESTMENT POLICY

The fund's Board of Trustees is required to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The plan complies with the investment guidelines set forth at 40 ILCS 5/1-113. The investment policy was modified on April 19, 2018.

Fixed-income securities are reported at cost subject to adjustment for market declines judged to be other than temporary (lower of cost or market). Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date. Equity securities are reported at fair value. The plan did not hold investments in any one organization that represent 5% or more of the Pension Plan's Fiduciary Net Position.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

For the year ended April 30, 2019, the annual money-weighted rate of return on plan investments, net of pension plan investment expense, was 4.91%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following was the Board's adopted asset allocation policy and best estimate of arithmetic real rates of return as of April 30, 2018:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Certificates of Deposit	0%	1.20%
Municipal Obligations	15%	2.40%
Mutual Funds	60%	6.60%
U.S. Government Obligations	20%	2.40%
Cash	5%	0.00%
Total	100%	

(v) CHANGES IN THE NET PENSION LIABILITY (ASSET)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, April 30, 2017	\$ 16,857,690	\$ 10,548,681	\$ 6,309,009
Changes for the year:			
Service Cost	393,913		393,913
Interest on the Total Pension Liability	1,098,989		1,098,989
Difference Between Expected and Actual Experience of the Total Pension Liability	58,476		58,476
Changes of Assumptions	879,770		879,770
Contributions - Employer		559,395	(559,395)
Contributions - Employees		145,573	(145,573)
Net Investment Income		518,280	(518,280)
Benefit Payments, Including Refunds of Employee Contributions	(688,165)	(688,165)	0
Administrative Expenses		(9,401)	9,401
Net Changes	1,742,983	525,682	1,217,301
Balance, April 30, 2018	\$ 18,600,673	\$ 11,074,363	\$ 7,526,310

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

(vi) ACTUARIAL ASSUMPTIONS

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2018 using the following actuarial assumptions.

Inflation	2.50%
Salary Increase	Service-related table with rates grading from 10.5% to 3.0% at 30 years of service
Discount Rate	6.50%
Investment Rate Of Return	6.50%

Mortality rates were based on the RP-2014 Combined Healthy Mortality with a blue collar adjustment, projected generationally using scale MP-2017 from 2013. Disabled mortality rates were based on the RP-2014 Combined Disabled Mortality with a blue collar adjustment, projected generationally using scale MP-2017 from 2013. The date of the most recent experience study for which significant assumptions are based upon is not available.

(vii) DISCOUNT RATE

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.01% (based on the weekly rate closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve); and the resulting single discount rate is 6.50%.

(viii) SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net Pension Liability	\$ 10,669,176	\$ 7,526,310	\$ 5,029,080

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 7. RETIREMENT FUND COMMITMENTS (CONTINUED)

(ix) DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At April 30, 2019, the City of Highland recognized deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 125,689	\$ (616,863)
Changes of Assumptions	1,971,839	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	440,099	(32,474)
Total Deferred Amounts Related to Pensions	\$ 2,537,627	\$ (649,337)

Amounts realized as deferred outflows of resources related to pensions will be realized in pension expense in future periods as follows:

Year Ending April 30,	Net Deferred Outflows of Resources
2019	\$ 457,094
2020	435,949
2021	293,524
2022	296,144
2023	262,620
Thereafter	142,959
Total	\$ 1,888,290

NOTE 8. INTERFUND ACTIVITY

Interfund balances exist on the governmental and proprietary fund financial statements and represents amounts loaned among the funds that are expected to be repaid within the next year. Interfund balances between governmental funds and interfund balances between proprietary funds have been eliminated in the government-wide statement of net position. Interfund balances at April 30, 2019, consisted of the following:

Due To	Due From	Amount
City Property Replacement Fund	General Corporate Fund	70,000
City Property Replacement Fund	Other Governmental Funds	45,000

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 8. INTERFUND ACTIVITY (CONTINUED)

Interfund transfers exist due to the allocation of general administrative expenses among the funds and to provide funding for the economic development fund. The transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Interfund transfers for the year ended April 30, 2019, consisted of the following:

		Transfer From:							
		General Corporate	City Property Replacement	Other Governmental Funds	Light And Power	Water	Sewer	Solid Waste	Total
Transfer To:	General Corporate		\$ 580,000	\$ 184,232	\$ 205,400	\$ 31,200	\$ 23,400	\$ 15,000	\$ 1,039,232
	Ambulance		187,000						187,000
	City Property Replacement	\$ 115,000			150,000				265,000
	Total	<u>\$ 115,000</u>	<u>\$ 767,000</u>	<u>\$ 184,232</u>	<u>\$ 355,400</u>	<u>\$ 31,200</u>	<u>\$ 23,400</u>	<u>\$ 15,000</u>	<u>\$ 1,491,232</u>

NOTE 9. NOTES RECEIVABLE

The following is a summary of long-term receivable transactions of the City for the year ended April 30, 2019:

	COMPONENT UNIT
Balance on April 30, 2018	\$ 34,371
Additions	
Reductions	(34,371)
Balance on April 30, 2019	<u><u>\$ 0</u></u>

McLaughlin's Entertainment, LLC

In August 2012, the component unit entered into a \$65,000, 5% note receivable with McLaughlin's Entertainment, LLC. Monthly principal and interest payments of \$689 are due at the end of each month until maturity in December 2022.

This note was paid off early in the fiscal year ended April 30, 2019. \$ 0

NOTE 10. OTHER POST EMPLOYMENT BENEFITS

The City of Highland's Retiree Health Care Plan (Plan) is a single-employer defined benefit post-employment health care plan that covers eligible retired employees of the City. The City allows for retired employees to purchase medical, pharmacy, and dental insurance through the City's single employer, group plans. This constitutes an other post employment benefit (OPEB) provided to the employees. These benefits are governed by the City Council and can be amended through the City's personnel manual and union contracts. For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust and does not issue a stand-alone financial report.

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

(i) Employees Covered by Benefit Terms

At April 30, 2019, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	19
Inactive Plan Members Entitled to but not yet Receiving Benefits	0
Active Plan Members	113
	132
	132

(ii) BENEFITS PROVIDED

Retirees and their spouses or surviving spouses are eligible to purchase medical, pharmacy and dental benefits at the City's group rates. Although retirees pay 100% of the cost of the group premiums the City in effect subsidizes a portion of their insurance costs by allowing them on the group plan. Eligible employees must be at least 55 years of age with 20 years of service or 60 years of age with 8 years of service for all departments other than the police. Police department retirees must be 50 years of age with 20 years of service or 60 years of age with 8 years of service. Retirees and their spouses may only receive these benefits until reaching the age of 65.

(iii) NET OPEB LIABILITY

The measurement period for the OPEB expense was May 1, 2018 to April 30, 2019. The reporting period is May 1, 2018 through April 30, 2019. The City's Total OPEB Liability was measured as of April 30, 2019.

The components of the net OPEB liability of the plan at April 30, 2019, calculated in accordance with GASB Statement No. 75 were as follows:

Total OPEB Liability	\$ 1,813,376
Plan Fiduciary Net Position	0
Net OPEB Liability	\$ 1,813,376

Plan fiduciary net position as a percentage of the total OPEB liability is 0%.

See the schedule of changes in total OPEB liability and related ratios in the required supplementary information for additional information related to the funded status of the plan.

For the year ended April 30, 2019, the City will recognize OPEB Expense of \$83,650.

(iv) ACTUARIAL ASSUMPTIONS

The Total OPEB Liability was determined by an actuarial valuation as of April 30, 2019 using the following actuarial assumptions:

Price Inflation	2.75%
Annual Wage Increases	3.50%
Discount Rate	3.21%
Immediate Trend Rate	8.50%
Ultimate Trend Rate	4.50%

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

For all lives, mortality rates were SOA RPH-2014 Total Dataset Headcount-Weighted Mortality, Adjusted to 2006.

(v) DISCOUNT RATE

Given the City's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 3.21%. The high-quality municipal bond rate was based on the week closest but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

(vi) CHANGES IN TOTAL OPEB LIABILITY

	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending April 30, 2018	\$ 1,666,698
Changes for the Year:	
Service Cost	94,216
Interest	62,463
Changes of Assumptions	70,348
Benefit Payments	(80,349)
Net Changes	146,678
Reporting Period Ending April 30, 2019	\$ 1,813,376

Changes of assumptions reflect a change in the discount rate from 3.63% for the fiscal year ending April 30, 2018 to 3.21% for the fiscal year ending April 30, 2019.

(vii) SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the Total OPEB Liability of the City, as well as what the City's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 2.21%	Current Discount Rate 3.21%	1% Increase 4.21%
Total OPEB Liability	\$ 2,011,850	\$ 1,813,376	\$ 1,634,154

CITY OF HIGHLAND, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED APRIL 30, 2019

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

(viii) SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

The following presents the Total OPEB Liability of the City, as well as what the City's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 3.50% - 7.50%	Healthcare Cost Trend Rates 4.50% - 8.50%	1% Increase 5.50% - 9.50%
Total OPEB Liability	\$ 1,578,488	\$ 1,813,376	\$ 2,096,898

(ix) DEFERRED OUTFLOWS OF RESOURCES RELATED TO OPEB

At April 30, 2019, the City of Highland recognized deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Changes in Assumptions	\$ 63,028

Amounts realized as deferred outflows of resources related to OPEB will be realized in OPEB expense in future periods as follows:

	Deferred Outflows of Resources
2020	\$ 7,320
2021	7,320
2022	7,320
2023	7,320
2024	7,320
Thereafter	26,428
Total	\$ 63,028

NOTE 11. TAX ABATEMENTS

The City enters into property tax abatement agreements with local businesses under the Illinois Tax Increment Allocation Redevelopment Act. Under this act, localities may grant property tax abatements for the purpose of rehabilitation of blighted or conservation areas. The abatements may be granted to any business located within the TIF District boundaries which incur qualified redevelopment costs. A typical agreement will reimburse a developer's qualified costs up to 100% of the annual property tax increment. For the fiscal year ended April 30, 2019, the City abated property taxes totaling \$12,318 under this program.

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 11. TAX ABATEMENTS (CONTINUED)

The City entered into sales tax rebate agreements with multiple businesses within the City’s business district as an incentive for the businesses to complete improvements to their businesses. These businesses receive sales tax rebates of up to 100% of the 1% city sales tax increment, to be paid annually. For the fiscal year ended April 30, 2019, the City abated sales taxes totaling \$38,475 under these agreements.

The City entered into property tax abatement agreements with multiple businesses within the City’s business district as an incentive for the businesses to complete improvements to the buildings within the district. These agreements reimburse the businesses up to 100% of the City’s portion of the ad valorem tax increment generated on the increase in equalized assessed value for the improved property. For the fiscal year ended April 30, 2019, the City abated property taxes totaling \$10,678 under these agreements.

The City entered into a property tax abatement agreement to secure two easements. This agreement abates the City’s portion of real estate tax. For the fiscal year ended April 30, 2019, the City abated property taxes totaling \$156 under this agreement.

NOTE 12. LEGAL DEBT MARGIN

The legal debt margin for the City of Highland was \$14,789,869 for general obligation debts. The computation was as follows:

Assessed Valuation as of April 30, 2019	\$ 189,946,306
Statutory Debt Limitation (8.625% of Assessed Valuation)	\$ 16,382,869
Less: General Obligation Debt	(1,593,000)
Legal Debt Margin	\$ 14,789,869

The total general obligation debt for the City of Highland at April 30, 2019 was \$1,593,000.

NOTE 13. DEFICIT FUND BALANCES

The following individual nonmajor funds reported deficit fund balances on April 30, 2019:

Fund	Deficit Fund Balance
Cemetery Land Replacement	\$ 15,858
Library Special Projects	17,075
Library Endowment	56,151
Total Deficit Fund Balance	\$ 89,084

CITY OF HIGHLAND, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2019

NOTE 14. SUBSEQUENT EVENTS

In July 2019, the City sold approximately 3 miles of electrical transmission line including all supporting structures, the switching station, and all associated easement rights to Ameren IP for \$1,000,000.

In October 2019, the City refinanced the 2010 and 2012 Electric System Revenue Bonds to obtain lower interest rates. The bond closing was on October 16, 2019 and the redemption dates are set for November 16, 2019 for the Series 2012 bonds and January 1, 2020 for the Series 2010 bonds.

NOTE 15. GOVERNMENTAL FUND BALANCES

As of April 30, 2019, governmental fund balances are classified as follows:

	General Corporate Fund	City Property Replacement Fund	Ambulance Fund	Street Improvement Fund	Other Governmental Funds	Totals
Nonspendable:						
Prepaid Expenses	\$ 67,244		\$ 2,831		\$ 206,192	\$ 276,267
Total Nonspendable	<u>67,244</u>	<u>\$ 0</u>	<u>2,831</u>	<u>\$ 0</u>	<u>206,192</u>	<u>276,267</u>
Restricted for:						
Cemetery Operations and Maintenance					737,364	737,364
Economic Development					716,689	716,689
Fire Protection	16,606					16,606
Tourism and Conventions	7,429					7,429
Highways and Streets					783,466	783,466
IMRF					156,668	156,668
Debt Service					105,658	105,658
Library Insurance					17,762	17,762
Library Capital Improvements					25,112	25,112
Municipal Band	13,857					13,857
School Crossing Guard	17,765					17,765
Total Restricted	<u>55,657</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,542,719</u>	<u>2,598,376</u>
Assigned, Reported in:						
Special Revenue Funds			679,075	589,887	824,688	2,093,650
Capital Projects Funds		5,195,868				5,195,868
Total Assigned	<u>0</u>	<u>5,195,868</u>	<u>679,075</u>	<u>589,887</u>	<u>824,688</u>	<u>7,289,518</u>
Unassigned	<u>3,056,904</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(89,084)</u>	<u>2,967,820</u>
TOTAL FUND BALANCES	<u><u>\$ 3,179,805</u></u>	<u><u>\$ 5,195,868</u></u>	<u><u>\$ 681,906</u></u>	<u><u>\$ 589,887</u></u>	<u><u>\$ 3,484,515</u></u>	<u><u>\$ 13,131,981</u></u>

CITY OF HIGHLAND, ILLINOIS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

	GENERAL CORPORATE FUND					
	APRIL 30, 2019			APRIL 30, 2018		
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Actual Amounts GAAP Basis
Revenues:						
General Property Taxes	\$ 1,382,000	\$ 1,382,000	\$ 1,391,295	\$ 0	\$ 1,391,295	\$ 1,360,440
Corporate Personal Property Taxes	99,200	99,200	118,146		118,146	104,152
Intergovernmental	4,604,250	4,204,250	4,400,137		4,400,137	4,408,056
Charges for Current Services	2,225,151	2,225,151	2,442,958		2,442,958	2,412,005
Licenses and Permits	258,700	258,700	282,042		282,042	251,510
Fines and Forfeitures	21,000	21,000	19,613		19,613	18,345
Revenue from Use of Property	92,200	92,200	96,666		96,666	90,883
Miscellaneous, Grants, and Interest	501,700	796,700	761,903		761,903	631,415
Total Revenues	9,184,201	9,079,201	9,512,760	0	9,512,760	9,276,806
Expenditures:						
General Government	1,387,840	1,423,840	1,347,873	(21,491)	1,326,382	1,325,568
Public Safety	3,418,345	3,467,845	3,366,798	34,616	3,401,414	3,280,449
Highways and Streets	1,025,950	1,050,950	941,805	(7,236)	934,569	898,993
Economic Development	222,250	457,250	438,005	(6,705)	431,300	143,661
Culture and Recreation	1,779,730	1,842,730	1,904,025	43,272	1,947,297	1,885,398
Capital Outlay	564,350	1,427,350	1,511,586		1,511,586	897,253
Principal Debt Retirement	415,000	415,000	458,326		458,326	452,372
Interest and Fixed Charges on Debt	19,285	19,285	23,088		23,088	29,253
Total Expenditures	8,832,750	10,104,250	9,991,506	42,456	10,033,962	8,912,947
Excess (Deficiency) of Revenues Over (Under) Expenditures	351,451	(1,025,049)	(478,746)	(42,456)	(521,202)	363,859
Other Financing Sources (Uses):						
Proceeds from Sale of Capital Assets					1,940	1,800
Unrealized Appreciation (Depreciation) of Investments					7,981	(8,972)
Operating Transfers in	762,500	1,555,500	1,039,232		1,039,232	94,808
Operating Transfers out	(1,159,500)	(912,500)	(115,000)		(115,000)	(280,000)
Total Other Financing Sources (Uses)	(397,000)	643,000	924,232	0	934,153	(192,364)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$ (45,549)	\$ (382,049)	\$ 445,486	\$ (42,456)	412,951	171,495
Fund Balance, Beginning of Year					2,766,854	2,595,359
Fund Balance, End of Year					\$ 3,179,805	\$ 2,766,854
The City budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis					\$ 13,684	\$ 25,174
The City budgets for expenditures to the extent anticipated to be paid in cash, rather than on the modified accrual basis					13,495	(112,972)
The City budgets for payroll to the extent anticipated to be paid in cash, rather than on the modified accrual basis					15,277	30,833
					\$ 42,456	\$ (56,965)

CITY OF HIGHLAND, ILLINOIS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

	CITY PROPERTY REPLACEMENT FUND					
	APRIL 30, 2019			APRIL 30, 2018		
	Original Budget	Budgeted Amounts Final Budget	Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Actual Amounts GAAP Basis
Revenues:						
Miscellaneous and Interest	\$ 54,835	\$ 54,835	\$ 77,001		\$ 77,001	\$ 65,714
Total Revenues	<u>54,835</u>	<u>54,835</u>	<u>77,001</u>	<u>\$ 0</u>	<u>77,001</u>	<u>65,714</u>
Expenditures						
Capital Outlay						
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	<u>54,835</u>	<u>54,835</u>	<u>77,001</u>	<u>0</u>	<u>77,001</u>	<u>65,714</u>
Other Financing Sources (Uses):						
Unrealized Appreciation (Depreciation) of Investments					14,023	(16,182)
Operating Transfers In	655,000	438,000	265,000		265,000	430,000
Operating Transfers Out	(72,000)	(785,000)	(767,000)		(767,000)	(225,000)
Total Other Financing Sources (Uses)	<u>583,000</u>	<u>(347,000)</u>	<u>(502,000)</u>	<u>0</u>	<u>(487,977)</u>	<u>188,818</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Uses	<u>\$ 637,835</u>	<u>\$ (292,165)</u>	<u>\$ (424,999)</u>	<u>\$ 0</u>	<u>(410,976)</u>	<u>254,532</u>
Fund Balance, Beginning of Year					<u>5,606,844</u>	<u>5,352,312</u>
Fund Balance, End of Year					<u>\$ 5,195,868</u>	<u>\$ 5,606,844</u>

CITY OF HIGHLAND, ILLINOIS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

	AMBULANCE FUND					
	APRIL 30, 2019			APRIL 30, 2018		
	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Actual Amounts GAAP Basis
Revenues:						
General Property Taxes	\$ 450,000	\$ 450,000	\$ 454,163		\$ 454,163	\$ 444,672
Replacement Taxes	13,000	13,000	16,345		16,345	13,943
Intergovernmental	318,966	318,966	318,966		318,966	281,672
Charges for Services	1,546,724	1,690,000	1,704,619		1,704,619	1,388,944
Miscellaneous and Interest	3,500	3,500	8,137		8,137	6,691
Total Revenues	<u>2,332,190</u>	<u>2,475,466</u>	<u>2,502,230</u>	<u>\$ 0</u>	<u>2,502,230</u>	<u>2,135,922</u>
Expenditures						
Public Safety	2,199,633	2,769,633	2,653,985	29,560	2,683,545	2,535,537
Capital Outlay	116,981	116,981	262,659		262,659	
Total Expenditures	<u>2,316,614</u>	<u>2,886,614</u>	<u>2,916,644</u>	<u>29,560</u>	<u>2,946,204</u>	<u>2,535,537</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,576</u>	<u>(411,148)</u>	<u>(414,414)</u>	<u>(29,560)</u>	<u>(443,974)</u>	<u>(399,615)</u>
Other Financing Sources (Uses):						
Proceeds from Sale of Capital Assets					12,469	8,179
Note Payable Proceeds					193,723	
Unrealized Appreciation (Depreciation) of Investments					9	(217)
Operating Transfers In	(15,000)	150,000			187,000	150,000
Operating Transfers Out	(15,000)	(15,000)				
Total Other Financing Sources (Uses)	<u>(15,000)</u>	<u>135,000</u>	<u>0</u>	<u>0</u>	<u>393,201</u>	<u>157,962</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ 576</u>	<u>\$ (276,148)</u>	<u>\$ (414,414)</u>	<u>\$ (29,560)</u>	<u>(50,773)</u>	<u>(241,653)</u>
Fund Balance, Beginning of Year					<u>732,679</u>	<u>974,332</u>
Fund Balance, End of Year					<u>\$ 681,906</u>	<u>\$ 732,679</u>
(1) The City budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis					\$ (5,354)	\$ (1,399)
The City budgets for expenditures to the extent anticipated to be paid in cash, rather than on the modified accrual basis					33,867	(9,335)
The City budgets for payroll to the extent anticipated to be paid in cash, rather than on the modified accrual basis					1,047	10,853
					<u>\$ 29,560</u>	<u>\$ 119</u>

CITY OF HIGHLAND, ILLINOIS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUNDS
FOR THE YEARS ENDED APRIL 30, 2019 AND 2018

	STREET IMPROVEMENT FUND					
	APRIL 30, 2019			APRIL 30, 2018		
	Original Budget	Budgeted Amounts Final Budget	Actual Amounts Budgetary Basis	Budget to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Actual Amounts GAAP Basis
Revenues:						
Intergovernmental	\$ 1,410,000	\$ 1,410,000	\$ 1,458,085		\$ 1,458,085	\$ 1,402,969
Miscellaneous, Grants, and Interest	7,500	7,500	7,143		7,143	123,839
Total Revenues	<u>1,417,500</u>	<u>1,417,500</u>	<u>1,465,228</u>	<u>\$ 0</u>	<u>1,465,228</u>	<u>1,526,808</u>
Expenditures						
Highways and Streets	125,000	125,000	(12,061)	12,061	284,215	200,865
Capital Outlay	120,000	120,000	284,215		747,311	1,201,277
Debt Services	747,078	747,078	747,311		1,031,526	1,402,142
Total Expenditures	<u>992,078</u>	<u>992,078</u>	<u>1,019,465</u>	<u>12,061</u>	<u>1,031,526</u>	<u>1,402,142</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>425,422</u>	<u>425,422</u>	<u>445,763</u>	<u>(12,061)</u>	<u>433,702</u>	<u>124,666</u>
Other Financing Sources (Uses):						
Unrealized Appreciation (Depreciation) of Investments					627	(780)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>627</u>	<u>(780)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses	<u>\$ 425,422</u>	<u>\$ 425,422</u>	<u>\$ 445,763</u>	<u>\$ (12,061)</u>	<u>434,329</u>	<u>123,886</u>
Fund Balance, Beginning of Year					155,558	31,672
Fund Balance, End of Year					<u>\$ 589,887</u>	<u>\$ 155,558</u>
(1) The City budgets for expenditures to the extent anticipated to be paid in cash, rather than on the modified accrual basis					<u>\$ 12,061</u>	<u>\$ 15,722</u>
					<u>\$ 12,061</u>	<u>\$ 15,722</u>

CITY OF HIGHLAND, ILLINOIS
NOTES TO SCHEDULE "1"
APRIL 30, 2019

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During the first quarter of the calendar year, the City Manager submits to the City Council a proposed budget for the year commencing May 1 of that year. Expenditures, interest, payroll, claims, and compensated absences are budgeted to the extent anticipated to be paid in cash.
2. Public hearings are conducted to obtain taxpayer comments.
3. On April 16, 2018 the budget ordinance was legally enacted. The budget ordinance was legally amended on April 15, 2019.
4. The operating budget for the major governmental and special revenue funds is reflected in the financial statements.
5. The formal budget is adopted and used as a management control device during the year for the general fund, special revenue funds, capital project funds, debt service funds, enterprise funds and pension and nonexpendable trust funds. Budgetary control is at the total individual fund level and is alternatively achieved through bond indenture provisions for the debt service funds. This allows the City Manager and the finance department to transfer budgeted amounts within departments; however, any revisions that alter the total expenditures/expenses of any individual fund, by more than 10% must be approved by the City Council.
6. The City files with the county an annual budget ordinance which is the legally required document that levies a tax on the owners of property located in the City. The City budgets for expenditures to the extent anticipated to be paid in cash. All appropriations lapse at year end. The budget is the legal document that limits the spending capacity by fund of the City for its services and operations.

As of April 30, 2019, the City's expenses exceeded appropriations in the following funds:

Street Improvement Fund	\$ 27,387
Ambulance Fund	30,030
TIF #2 Fund	31,131
Library Endowment Fund	2,727
Economic Development Fund	4,461
Solid Waste Fund	16,445

CITY OF HIGHLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND - REGULAR PLAN
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Calendar year ending December 31,	2018	2017	2016	2015
TOTAL PENSION LIABILITY				
Service Cost	\$ 621,283	\$ 641,150	\$ 673,608	\$ 665,293
Interest on the Total Pension Liability	2,447,068	2,415,253	2,360,617	2,187,028
Difference Between Expected and Actual Experience of the Total Pension Liability	938,637	64,339	(818,131)	778,452
Changes of Assumptions	1,032,887	(1,086,422)	(81,602)	40,606
Benefit Payments, Including Refunds of Employee Contributions	(1,653,797)	(1,546,587)	(1,401,283)	(1,230,296)
Net Change in Total Pension Liability	3,386,078	487,733	733,209	2,441,083
Total Pension Liability - Beginning	33,143,828	32,656,095	31,922,886	29,481,803
Total Pension Liability - Ending (a)	<u>\$ 36,529,906</u>	<u>\$ 33,143,828</u>	<u>\$ 32,656,095</u>	<u>\$ 31,922,886</u>
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 701,482	\$ 729,699	\$ 699,617	\$ 732,050
Contributions - Employees	301,376	304,900	283,885	290,735
Net Investment Income	(1,696,987)	4,947,037	1,874,891	134,946
Benefit Payments, Including Refunds of Employee Contributions	(1,653,797)	(1,546,587)	(1,401,283)	(1,230,296)
Other (Net Transfer)	689,364	(465,726)	70,952	50,581
Net Change in Plan Fiduciary Net Position	(1,658,562)	3,969,323	1,528,062	(21,984)
Plan Fiduciary Net Position - Beginning	32,568,445	28,599,122	27,071,060	27,093,044
Plan Fiduciary Net Position - Ending (b)	<u>\$ 30,909,883</u>	<u>\$ 32,568,445</u>	<u>\$ 28,599,122</u>	<u>\$ 27,071,060</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 5,620,023</u>	<u>\$ 575,383</u>	<u>\$ 4,056,973</u>	<u>\$ 4,851,826</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.62%	98.26%	87.58%	84.80%
Covered Employee Payroll	\$ 6,611,522	\$ 6,599,116	\$ 6,308,543	\$ 6,460,770
Net Pension Liability as a Percentage of Covered Employee Payroll	85.00%	8.72%	64.31%	75.10%

NOTES TO SCHEDULE:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
MULTIYEAR SCHEDULE OF PENSION CONTRIBUTIONS - REGULAR PLAN
Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 721,668	\$ 732,050	\$ (10,382)	\$ 6,460,770	11.33%
2016	699,617	699,617	0	6,308,543	11.09%
2017	724,583	729,699	(5,116)	6,599,116	11.06%
2018	701,482 *	701,482	0	6,611,522	10.61%

* Estimated based on contribution rate of 10.61% and covered valuation payroll of \$6,611,522.

NOTES TO SCHEDULE OF PENSION CONTRIBUTIONS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN
THE CALCULATION OF THE 2018 CONTRIBUTION RATE*

VALUATION DATE

Notes: Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

METHODS AND ASSUMPTIONS USED TO DETERMINE 2018 CONTRIBUTION RATES:

Actuarial Cost Method: Aggregate Entry Age Normal
Amortization Method: Level Percentage of Payroll, Closed
Remaining Amortization Period: Non-Taxing bodies: 10-year rolling period.
Taxing bodies (Regular, SLEP and ECO groups): 25-year closed period
Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (three employers were financed over 29 years).
Asset Valuation Method: 5-Year smoothed market; 20% corridor
Wage Growth: 3.50%
Price Inflation: 2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases: 3.75% to 14.50% including inflation
Investment Rate of Return: 7.50%
Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

OTHER INFORMATION

Notes: There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2016 actuarial valuation

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND - SLEP
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Calendar year ending December 31,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
TOTAL PENSION LIABILITY				
Interest on the Total Pension Liability	\$ 8,284	\$ 7,921	\$ 7,928	\$ 8,814
Difference between Expected and Actual Experience of the Total Pension Liability	(7,608)	(4,684)	(8,011)	(20,631)
Changes of Assumptions	<u>3,568</u>	<u>1,603</u>		
Net Change in Total Pension Liability	4,244	4,840	(83)	(11,817)
Total Pension Liability - Beginning	110,459	105,619	105,702	117,519
Total Pension Liability - Ending (a)	<u>\$ 114,703</u>	<u>\$ 110,459</u>	<u>\$ 105,619</u>	<u>\$ 105,702</u>
PLAN FIDUCIARY NET POSITION				
Contributions - Employer			\$ 2,067	\$ 4,901
Net Investment Income	\$ (65,794)	\$ 44,062	6,414	632
Other (Net Transfer)	<u>334</u>	<u>(297)</u>	<u>7,157</u>	<u>(7,633)</u>
Net Change in Plan Fiduciary Net Position	(65,460)	43,765	15,638	(2,100)
Plan Fiduciary Net Position - Beginning	181,296	137,531	121,893	123,993
Plan Fiduciary Net Position - Ending (b)	<u>\$ 115,836</u>	<u>\$ 181,296</u>	<u>\$ 137,531</u>	<u>\$ 121,893</u>
Net Pension Liability/(Asset) - Ending (a)-(b)	<u>\$ (1,133)</u>	<u>\$ (70,837)</u>	<u>\$ (31,912)</u>	<u>\$ (16,191)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.99%	164.13%	130.21%	115.32%
Covered Employee Payroll	\$ 0	\$ 0	\$ 0	\$ 0
Net Pension Liability as a Percentage of Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%

NOTES TO SCHEDULE:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
MULTIYEAR SCHEDULE OF PENSION CONTRIBUTIONS - SLEP
Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 0	\$ 4,901	\$ (4,901)	\$ 0	0.00%
2016	0	2,067	(2,067)	0	0.00%
2017	0	0	0	0	0.00%
2018	0 *	0	0	0	0.00%

* Estimated based on contribution rate of 13.28% and covered valuation payroll of \$0.

NOTES TO SCHEDULE OF PENSION CONTRIBUTIONS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN
THE CALCULATION OF THE 2018 CONTRIBUTION RATE*

VALUATION DATE

Notes: Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

METHODS AND ASSUMPTIONS USED TO DETERMINE 2018 CONTRIBUTION RATES:

Actuarial Cost Method: Aggregate Entry Age Normal
 Amortization Method: Level Percentage of Payroll, Closed
 Remaining Amortization Period: Non-Taxing bodies: 10-year rolling period.
 Taxing bodies (Regular, SLEP and ECO groups): 25-year closed period
 Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
 SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (three employers were financed over 29 years).
 Asset Valuation Method: 5-Year smoothed market; 20% corridor
 Wage Growth: 3.50%
 Price Inflation: 2.75% - approximate; No explicit price inflation assumption is used in this valuation.
 Salary Increases: 3.75% to 14.50% including inflation
 Investment Rate of Return: 7.50%
 Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
 Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

OTHER INFORMATION

Notes: There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2016 actuarial valuation

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
POLICE PENSION
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Fiscal Year Ended April 30,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
TOTAL PENSION LIABILITY				
Service Cost	\$ 393,913	\$ 387,630	\$ 393,643	\$ 393,643
Interest on the Total Pension Liability	1,098,989	1,044,467	1,045,672	848,335
Difference Between Expected and Actual Experience of the Total Pension Liability	58,476	(112,104)	(824,401)	130,394
Assumption Changes	879,770	153,120		1,942,512
Benefit Payments, Including Refunds of Employee Contributions	<u>(688,165)</u>	<u>(593,024)</u>	<u>(661,861)</u>	<u>(630,741)</u>
Net Change in Total Pension Liability	1,742,983	880,089	(46,947)	2,684,143
Total Pension Liability - Beginning	<u>16,857,690</u>	<u>15,977,601</u>	<u>16,024,548</u>	<u>13,340,405</u>
Total Pension Liability - Ending (a)	<u>\$ 18,600,673</u>	<u>\$ 16,857,690</u>	<u>\$ 15,977,601</u>	<u>\$ 16,024,548</u>
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 559,395	\$ 425,482	\$ 432,136	\$ 413,798
Contributions - Employees	145,573	150,130	158,168	143,460
Net Investment Income	518,280	695,462	(63,296)	557,433
Benefit Payments, Including Refunds of Employee Contributions	(688,165)	(593,024)	(661,861)	(630,741)
Administrative Expenses	<u>(9,401)</u>	<u>(9,631)</u>	<u>(5,486)</u>	<u>(6,066)</u>
Net Change in Plan Fiduciary Net Position	525,682	668,419	(140,339)	477,884
Plan Fiduciary Net Position - Beginning	<u>10,548,681</u>	<u>9,880,262</u>	<u>10,020,601</u>	<u>9,542,717</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 11,074,363</u>	<u>\$ 10,548,681</u>	<u>\$ 9,880,262</u>	<u>\$ 10,020,601</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 7,526,310</u>	<u>\$ 6,309,009</u>	<u>\$ 6,097,339</u>	<u>\$ 6,003,947</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.54%	62.57%	61.84%	62.53%
Covered Employee Payroll	\$ 1,582,463	\$ 1,544,154	\$ 1,506,282	\$ 1,372,110
Net Pension Liability as a Percentage of Covered Employee Payroll	475.61%	408.57%	404.79%	437.57%

NOTES TO SCHEDULE:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
MULTIYEAR SCHEDULE OF PENSION CONTRIBUTIONS - POLICE PENSION
Last 10 Calendar Years

Calendar Year Ending April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 412,622	\$ 413,798	\$ (1,176)	\$ 1,372,110	30.16%
2016	763,756	432,136	331,620	1,506,282	28.69%
2017	825,186	425,482	399,704	1,544,154	27.55%
2018	633,618	559,395	74,223	1,582,463	35.35%

NOTES TO SCHEDULE OF PENSION CONTRIBUTIONS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN
THE CALCULATION OF THE 2018 CONTRIBUTION RATE*

VALUATION DATE

Notes: Actuarially determined contribution rates are calculated as of May 1 of each year prior to the beginning of the year in which contributions are reported.

METHODS AND ASSUMPTIONS USED TO DETERMINE 2017 CONTRIBUTION RATES

Actuarial Cost Method: Entry Age Normal Cost Method
 Amortization Method: Closed level percentage of payroll amortization of 100% of the Unfunded Actuarial Accrued Liability using a 3.0% payroll growth assumption over the period ending on April 30, 2040 (22-year amortization in 2018)
 Asset Method: 5 year smoothing of asset gains and losses
 Salary Increases: Service-related table with rates grading from 10.5% to 3.0% at 30 years of service.
 Cost-of-living Increases: 3.0% (1.25% for those hired after 1/1/2011)
 Investment Rate of Return: 6.5%, net of investment expenses
 Retirement Rates:

Tier I		Tier II	
Age	Rate of Retirement	Age	Rate of Retirement
50-51	15%	50-51	5%
52-54	20%	52-54	40%
55-64	25%	55-64	25%
65-69	40%	65-69	40%
70+	100%	70+	100%

Mortality: Active Lives
 RP-2014 Mortality Table with blue collar adjustment, projected generationally using scale MP-2017 from 2013.
Disabled Lives
 115% of the healthy mortality table, projected generationally using improvement scale MP-2017 from 2013
 10% of deaths are assumed to be service related.

OTHER INFORMATION

Notes: There were no benefit changes during the year.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
SCHEDULE OF INVESTMENT RETURNS - POLICE PENSION
Last 10 Calendar Years

Fiscal Year Ended April 30,	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Money-Weighted Rate of Return Net of Investment Expense	4.91%	7.05%	1.72%	4.54%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT HEALTHCARE BENEFIT PROGRAM
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Fiscal Year Ending April 30,	2019
TOTAL OPEB LIABILITY	
Service Cost	\$ 94,216
Interest on the Total OPEB Liability	62,463
Assumption Changes	70,348
Benefit Payments	(80,349)
Net Change in Total OPEB Liability	146,678
Total OPEB Liability - Beginning	1,666,698
Total OPEB Liability - Ending	\$ 1,813,376
PLAN FIDUCIARY NET POSITION	
Employer Contributions	\$ 80,352
Total Benefits Paid	(80,352)
Net Change in Plan Fiduciary Net Position	0
Total Plan Fiduciary Net Position - Beginning	0
Total Plan Fiduciary Net Position - Ending	\$ 0
Covered Employee Payroll	\$ 7,157,460
Net OPEB Liability As A Percentage Of Covered Employee Payroll	25.34%

Notes to Schedule:

Changes of assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending April 30, 2019: 3.21%
Fiscal Year Ending April 30, 2018: 3.63%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF HIGHLAND, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT HEALTHCARE BENEFIT PROGRAM
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

Fiscal Year Ended April 30,	Actuarially Determined Contribution (a)	Historical Contribution (b)	Contribution Deficiency (Excess) (a) - (b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b) / (c)
4/30/2019	\$ 80,352	\$ 80,352	-	\$ 7,157,460	1.12%

Notes to Schedule:

Beginning Fiscal Year Ending 2019, the ADC is calculated in accordance with the Employer's funding policy, if one exists. Prior to Fiscal Year Ending 2019, the ADC is equal to the Annual OPEB Expense as calculated under GASB No. 45.

Italicized amounts are yet to be determined

Actual Contributions include implicit subsidy, only.

CITY OF HIGHLAND, ILLINOIS
NOTES TO THE SCHEDULE OF CHANGES IN TOTAL OPEB
LIABILITY AND RELATED RATIOS

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE 2019 OPEB LIABILITY

Methods and Assumptions Used to Determine Contribution Rates:

Valuation and Measurement Date: May 1, 2018
 Actuarial Cost Method: Individual Entry Age Normal as a level percentage of payroll
 Discount Rate: 3.63% at valuation date.
 3.21% as of measurement period ending April 30, 2019
 Annual Wage Increases: 3.50%.
 Price Inflation: 2.75%.
 Healthcare Reform: The impact of the 40% excise tax on high cost, or 'Cadillac,' plans under the Patient Protection and Affordable Care Act (PPACA) was estimated and reflected in the plan liabilities. Our analysis determined an additional 7% load to be applied to the Total OPEB Liability.

Other legislative changes related to the Affordable Care Act were included in the valuation only to the extent they have already been implemented in the plan.

Annual Per-Capita Claims Costs:

Age	Base		Buy-Up		H.S.A.	
	Retiree	Spouse	Retiree	Spouse	Retiree	Spouse
40	\$ 4,981	\$ 5,479	\$ 5,349	\$ 5,884	\$ 4,616	\$ 5,078
45	5,916	6,508	6,353	6,989	5,483	6,031
50	7,027	7,729	7,546	8,300	6,512	7,163
55	8,346	9,180	8,962	9,858	7,734	8,507
60	9,912	10,903	10,644	11,708	9,186	10,104
64	11,374	12,511	12,214	13,436	10,541	11,594

Annual Healthcare Trend:

Years after Valuation	Medical & Pharmacy
1	8.50%
2	7.50%
3	7.00%
4	6.50%
5	6.00%
6	5.50%
7	5.00%
8+	4.50%

Participation: Future Retirees: 80% of future retirees are assumed to elect coverage at retirement. 50% of participating retirees are assumed to elect the Base plan. 30% the Buy-Up plan, and 20% the H.S.A. plan. It is assumed that no one will opt in or opt out of coverage once initial retirement election is made.

Current Retirees: Based on current coverage election. It is assumed that no one will opt in or opt out of coverage once initial retirement election is made.

Spousal Participation:

Future Retirees: 50% of participating retirees are assumed to be married and cover their spouse.
 Current Retirees: Based on current coverage election.

Spouse Age:

Male spouses are assumed to be 3 years older, and female spouses are assumed to be 3 years younger. Actual age is used for spouses of current retirees, if provided.

Mortality Rate:

SOA RPH-2014 Total Dataset Headcount-Weighted Mortality, adjusted to 2006. Margin for mortality improvements: Scale MP-2018.

CITY OF HIGHLAND, ILLINOIS
NOTES TO THE SCHEDULE OF CHANGES IN TOTAL OPEB
LIABILITY AND RELATED RATIOS

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE 2019 OPEB LIABILITY

Withdrawal:

Participants are assumed to terminate employment for reasons other than death, disability, or retirement in accordance with annual rates varying by age, service, gender, and group. The following table illustrates a sample of the assumed rate of such terminations per year:

Age	Service	Police	All Others	
			Male	Female
All	0	17.0%	25.0%	29.5%
	1	12.0%	19.0%	21.5%
	2	8.0%	13.5%	16.0%
	3	7.0%	11.0%	12.5%
	4	6.0%	9.0%	10.5%
	5	5.0%	7.5%	8.5%
	6	5.0%	6.2%	7.0%
30	7	N/A	5.8%	6.5%
		3.7%	4.7%	6.5%
35		2.2%	3.8%	5.3%
40	8+	1.8%	3.0%	4.2%
45		1.8%	2.5%	3.7%
50		1.8%	2.3%	3.2%

Disability:

Participants are assumed to become disabled in accordance with annual rates varying by age, gender, and group. The following table illustrates a sample of the assumed rate of such disablements per year:

Age	Police		All Others	
	Male	Female	Male	Female
20	0.01%	0.02%	0.01%	0.00%
25	0.02%	0.04%	0.01%	0.00%
30	0.03%	0.06%	0.01%	0.01%
35	0.04%	0.09%	0.02%	0.01%
40	0.07%	0.13%	0.04%	0.02%
45	0.10%	0.19%	0.06%	0.03%
50	0.14%	0.28%	0.09%	0.04%
55	0.19%	0.39%	0.15%	0.07%
60	0.18%	0.36%	0.19%	0.12%
65	0.12%	0.24%	0.20%	0.14%
70	0.07%	0.14%	0.17%	0.12%
75	0.02%	0.04%	0.12%	0.08%
80	0.00%	0.00%	0.10%	0.07%

Retirement:

Participants are assumed to retire in accordance with annual rates varying by age, gender, and group. The following table illustrates the assumed rate of such retirements per year:

Age	Police	All Others	
		Male	Female
50	23%	0%	0%
51	18%	0%	0%
52	13%	0%	0%
53	8%	0%	0%
54	23%	0%	0%
55	23%	35%	30%
56	18%	30%	25%
57	23%	28%	25%
58	33%	28%	25%
59	13%	28%	20%
60	8%	12%	10%
61	8%	12%	10%
62	23%	22%	20%
63	18%	20%	20%
64	18%	20%	20%
65	23%	30%	25%
66	23%	30%	25%
67	23%	25%	20%
68	23%	20%	18%
69	23%	20%	18%
70	100%	20%	18%
71-79	100%	18%	18%
80+	100%	100%	100%

APPENDIX B

BOOK-ENTRY ONLY SYSTEM

General. The Certificates are available in book-entry only form. Purchasers of the Certificates will not receive certificates representing their interests in the Certificates. Ownership interests in the Certificates will be available to purchasers only through a book-entry system (the “Book-Entry System”) maintained by The Depository Trust Company (“DTC”), New York, New York.

The following information concerning DTC and DTC’s book-entry system has been obtained from DTC. The City (defined in this section as the “Issuer”) takes no responsibility for the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

1. DTC will act as securities depository for the Certificates. The Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Certificates, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC’s records. The ownership interest of each actual purchaser of each Certificate (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

4. To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Certificates within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

10. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Certificate certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.



City of Highland

Finance Department

MEMO TO: Mark Latham, City Manager
FROM: Kelly Korte, Director of Finance
SUBJECT: Public Safety Facility Financing
DATE: January 13, 2020

Included on the next council agenda is a resolution to select an underwriter for the financing of the Public Safety Facility. Also included is a memo prepared by WM Financial Strategies that provides more details on the selection process and recommendation along with a summary of the responses and required documents to complete this process. If you should have further questions, please let me know.



WM Financial Strategies

11710 ADMINISTRATION DRIVE
SUITE 7
ST. LOUIS, MISSOURI 63146
(314) 423-2122

January 10, 2020

Mr. Mark Latham, Kelly Korte,
Mayor Joseph R. Michaelis and
Council Members
Highland City Hall
1115 Broadway
Highland, Illinois 62249

Dear Mr. Latham, Ms. Korte, Mayor Michaelis and Council Members:

I am extremely pleased to advise that we received 8 responses to the request for underwriting proposals in connection with the City's Debt Certificates. A summary of the proposals is attached.

The most significant criteria for the selection of the underwriter is the True Interest Cost ("TIC"). Like a home mortgage that has both points and an interest rate, the cost of the Certificates will be affected by the underwriting fees (that is like points) and interest rates. TIC is a combined measure of the two.

As was anticipated by the request for proposals, none of the proposals were based on firm final interest rates. That is to say that the rates will not be finalized until February 3, which is the planned date of sale. Six of the eight proposals did, however, include rate indexing whereby rates are adjusted based on changes in a nationally published index. Rate indexing provides a quantifiable method to assess any variation in the rates set forth in the proposal to the final rates established at the time of sale. Rate Indexing assures that the yields set forth in the proposal genuinely reflect the yields at which the firm expects to market the Certificates.

The request for proposals allows firms that index rates to add up to 10 basis points to their final indexed rates for market volatility. Some of the firms agreed that they would use less than 10 basis points at the time of sale and Commerce Bank agreed to waive any additional basis points.

The two best proposals were from Commerce Bank and Hilltop Securities. Hilltop's rates would likely be higher than Commerce Bank since their proposal allows the addition of up to 10 basis points to their indexed rates. Furthermore, with Commerce Bank the City obtains the benefit of a one-year shorter optional call date. Accordingly, I am recommending proceeding with Commerce Bank.

It is important to reiterate that the interest rates and yields are not final. The yields will be adjusted against an index set forth in their proposal, up or down, according to the change in the index on the date of final pricing which will occur on or about February 3. On February 3 the City will execute an underwriting agreement and will also authorize all of the other Certificate documents.

Sincerely,

Joy A. Howard
Principal

**CITY OF HIGHLAND
Aa3 Certificates
(Public Safety Project)**

Summary of Underwriting Proposals

	Commerce Bank	Hilltop Securities	Robert W. Baird
1. Method Sale	Underwriting	Underwriting	Underwriting
2. Underwriting Fee	0.9900%	0.4570% (Could change slightly based on final maturities)	0.5275%
3. Interest Rates and Yields	Index Rates to MMD Indexing Proposal expires in 30 days No added basis points for volatility	Indexed to AAA MMD - Indexing Proposal expires in 30 days 10 basis points volatility	Indication of Rates
4. Cost of Issuance and Underwriter's Counsel	No underwriter's counsel.	Thompson Coburn	No underwriter's counsel.
5. Optional Call Date	On and after 2/1/2027	On and after 2/1/2028	On and after 2/1/2030 (other options with other rates)
6. Underwriting Agreement	No further approvals are required	Final approval required preliminary approval received	No further approvals are required
7. Issue Price	Will hold the price	Will hold the price	Will hold the price
8. G-17 Disclosures	Provided	Sample provided	Provided
9. Good Faith Deposit	Willing to provide.	Willing to provide.	Willing to provide.
10. Personnel	Matt Koch 816-234-2450	Reagan Holliday 314-626-6020	Stephen Roberts 630-778-9174
<u>Financial Advisor Comments</u>			
TIC*	2.709370%	2.675716%	2.758864%
TIC with volatility	2.709370%	2.775716%	Indication only

* TIC is a combined calculation of rates and underwriting fees.

**CITY OF HIGHLAND
Aa3 Certificates
(Public Safety Project)**

Summary of Underwriting Proposals

	DA Davidson	Stifel Nicolaus, St. Louis	Piper Sandler
1. Method Sale	Underwriting	Underwriting	Underwriting
2. Underwriting Fee	0.599% Plus \$7,500 for underwriter's counsel	0.500% Plus \$7,500 for underwriter's counsel	0.3950%
3. Interest Rates and Yields	Indexed to MMD Commitment to 2/10/2020	Indexed to MMD 8 basis points volatility Commitment to 2/10/2020	Indexed to MMD
4. Cost of Issuance and Underwriter's Counsel	Gilmore & Bell	Thompson Coburn	10b-5 required (Underwriter Counsel would therefore be required)
5. Optional Call Date	On and after 2/1/2027	On and after 2/1/2028	On and after 2/1/2028
6. Underwriting Agreement	Document review	Final approval required preliminary approval received	No further approvals required
7. Issue Price	Will hold the price	Will hold the price	Will hold the price
8. G-17 Disclosures	provided	provided	provided
9. Good Faith Deposit	Willing to provide	Willing to provide	Willing to provide
10. Personnel	Mike Maloney 515-471-2723	Martin Ghafoori 314-342-8467	Chris Collier 314-726-7535
Financial Advisor Comments			
TIC*	2.775754%	2.845361%	2.874000%
TIC with volatility	2.875754%	2.925361%	2.974000%

Stifel computed 2.775759%

**CITY OF HIGHLAND
Aa3 Certificates
(Public Safety Project)**

Summary of Underwriting Proposals

	Bernardi Securities	Raymond James
1. Method Sale	Underwriting	Underwriting
2. Underwriting Fee	0.6500%	0.3860%
3. Interest Rates and Yields	Indexed Rates to MMD	Indicative Rates
4. Cost of Issuance and Underwriter's Counsel	Burke, Warren, MacKay & Serritella	10b-5 required (Underwriter Counsel would therefore be required)
5. Optional Call Date	On and after 2/1/2028	On and after 2/1/2026
6. Underwriting Agreement	Proposal conditioned on Bond Insurance	Further approval required
7. Issue Price	Will hold the price	Will hold the price
8. G-17 Disclosures	Provided	provided
9. Good Faith Deposit	Willing to provide.	Willing to provide
10. Personnel	John Vezzetti 815-587-8972	Kevin O'Kelly 312-612-7709
<u>Financial Advisor Comments</u>		
TIC*	2.869776%	3.065980%
TIC with volatility	2.969776%	Indication Only

Insurance Required - Cost
not included above

RESOLUTION NO. _____

**A RESOLUTION ENGAGING THE SERVICES OF
WM FINANCIAL STRATEGIES, AS FINANCIAL ADVISOR,
AND GILMORE & BELL, P.C., AS BOND COUNSEL, IN
CONNECTION WITH THE ISSUANCE OF CERTAIN BONDS**

WHEREAS, the City of Highland, Illinois (the “City”) desires to issue general obligation refunding bonds (the “Bonds”) for the purpose of refunding the City’s outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012; and

WHEREAS, the City desires to retain the services of WM Financial Strategies (the “Financial Advisor”) to advise and assist the City in structuring the Bonds, to solicit underwriters or other purchasers for the Bonds, and to prepare any necessary offering documents for the Bonds, including Preliminary and Final Official Statements; and

WHEREAS, the City further desires to authorize Gilmore & Bell, P.C. to proceed with the preparation of all legal proceedings necessary for the issuance, sale and delivery of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND, ILLINOIS, AS FOLLOWS:

Section 1. The City hereby appoints WM Financial Strategies to serve as the City’s financial advisor with respect to the issuance of the Bonds and approves the agreement between the City and the Financial Advisor attached hereto as **Exhibit A**, which the Mayor, City Manager or Director of Finance is authorized to sign. The Financial Advisor is authorized to prepare and distribute any necessary offering documents for the Bonds, including a Preliminary Official Statement, and to solicit proposals from underwriters or other purchasers for the Bonds.

Section 2. The City hereby appoints the law firm of Gilmore & Bell, P.C. to serve as the City’s bond counsel with respect to the issuance of the Bonds and approves the engagement letter of Gilmore & Bell, P.C. attached hereto as **Exhibit B**, which the Mayor, City Manager or Director of Finance is authorized to sign. Gilmore & Bell, P.C. is authorized and directed to proceed with the preparation of all legal proceedings and documents necessary for the issuance, sale and delivery of the Bonds.

Section 3. The Mayor, City Manager, Director of Finance and other officers and representatives of the City are authorized and directed to take such other action as may be necessary to carry out the offering for sale of the Bonds.

Section 4. This Resolution shall be in full force and effect from and after its passage by the City Council.

Passed by the City Council of the City of Highland, Illinois, and deposited and filed in the office of the City Clerk on the _____ day of _____, 2020, the roll call vote being taken by ayes and noes and entered upon the legislative record as follows:

AYES:

NOES:

ABSENT:

APPROVED:

Joseph R. Michaelis
Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm
City Clerk
City of Highland
Madison County, Illinois

EXHIBIT A

AGREEMENT WITH WM FINANCIAL STRATEGIES

EXHIBIT B

ENGAGEMENT LETTER OF GILMORE & BELL, P.C.

FINANCIAL ADVISORY AGREEMENT

This Financial Advisory Agreement (the "Agreement"), dated as of _____, 2020, is between Joy A. Howard /dba/ WM Financial Strategies and the City of Highland, Illinois (the "City").

The City agrees to hire WM Financial Strategies and WM Financial Strategies agrees to act as financial advisor to the City to provide services relating to the issuance of Bonds (the "Bonds"), on the terms set forth below:

- 1. PROJECT DESCRIPTION.** Subject to continued favorable interest rates the City intends to issue Refunding Bonds for the purpose of refunding the City's General Obligation Bonds (Alternate Revenue Source) Series 2012.
- 2. SCOPE OF SERVICES.** The City hires WM Financial Strategies to provide the services set forth in the attached Exhibit. All services described in the Exhibit are hereby incorporated by reference.
- 3. AGREEMENT TO PROVIDE INFORMATION.** The City agrees to provide WM Financial Strategies with information required to provide the services set forth herein, including financial statements, budgets, and other relevant documents.
- 4. ADVISORY FEES.** WM Financial Strategies shall receive a fee equal to \$14,000 payable and contingent upon the closing of the sale of the Bonds.
- 5. OUT-OF-POCKET EXPENSES.** WM Financial Strategies' fee includes the cost of out-of-pocket expenses for in-house reproductions, postage and courier services.
- 6. BILLING STATEMENT.** The City will receive an invoice upon the closing of the Bonds which shall be due and paid promptly following the closing but within 30 days of such closing.
- 7. PROPERTY OWNERSHIP.** All reports, studies and data obtained or compiled as part of this Agreement shall be the property of the City. All such reports, studies and data shall be delivered promptly to the City as completed. The City may additionally request receipt of partially completed reports, studies and data in order to assess the status of completion of services.
- 8. TERMINATION AND MODIFICATION BY SUBSEQUENT AGREEMENT.** This agreement shall terminate upon the sooner of December 1, 2021 or completion of the refunding. This Agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both parties.

The City of Highland, Illinois

WM Financial Strategies

BY: _____

BY: _____

TITLE: _____

TITLE: _____

EXHIBIT SERVICES

- **Financing Plan**

WM Financial Strategies will develop a financing plan that will include recommendations with respect to the timing of the Bond sale, a maturity schedule, redemption features, reserve funding, and other terms required to market the Bonds.

- **Document Preparation**

WM Financial Strategies will assist the City and Bond Counsel in the development of the authorizing ordinance and other documents and shall advise the City of the financial terms including, among others, the coverage requirements, parity test, reserve requirements and redemption provisions.

- **Official Statement Preparation**

WM Financial Strategies will prepare the Preliminary and Final Official Statement (collectively the “Official Statement”) to be used in conjunction with the sale of the Bonds. In order to assist the City in fulfilling its disclosure obligations, WM Financial Strategies will prepare the official statement in a form consistent with the Government Finance Officers Association’s Disclosure Guidelines. In preparing the Official Statement, WM Financial Strategies will collect, research, develop and compile data for use therein and shall attempt to remove as much of this responsibility as possible from the City’s staff; however, the City will be responsible for the accuracy of the Official Statement.

- **Paying Agent Selection**

WM Financial Strategies shall assist the City in selecting a Paying Agent.

- **Bond Marketing**

WM Financial Strategies shall develop a marketing plan for the sale of Bonds including preparing a request for proposals, appraising the proposals received, recommending the firm to be selected and finalizing the terms of the sale to reflect the City’s best interest.

- **Bond Sale Services**

WM Financial Strategies shall represent the City at the time of the sale in comparing pricing proposed to the pricing set forth in the proposal and shall negotiate the best possible pricing based on market conditions and the proposal specifications. Following the award of the Bonds, WM Financial Strategies shall not be responsible for monitoring the sale (e.g. pricing) of the Bonds.

- **Rating**

WM Financial Strategies shall use its best efforts in obtaining the highest possible rating for the issue. The process to be utilized for this purpose will include making a credit review of the City, advising the City of the findings, rehearsing possible rating questions, making an analysis of areas which can be expected to be raised by the rating agency, preparing supplemental reports and schedules for the rating agency, and preparing for a possible visit to the rating agency, if desirable.

- **Market Analysis**

In order to appropriately advise the City on the establishment of a desirable sale date and to keep the City abreast of the cost of the financing plan under development, WM Financial Strategies shall monitor the following:

- The general condition and trends in the economy.
- The condition of capital markets including the imposition of any unusual restraints on monetary supply by the Federal Reserve System.
- The status of recently sold municipal issues.
- The supply of issues coming to market.

- **Mathematical Computations**

WM Financial Strategies will prepare maturity schedules and other schedules showing mathematical results including the source and disbursement of funds, yield calculations, and savings. These schedules will be prepared using the computer systems and proprietary software maintained by WM Financial Strategies. The schedules will be updated from time to time to reflect changes in market conditions.

- **Attendance at Meetings**

WM Financial Strategies shall attend meetings to explain the progress of the transaction and the various documents to be adopted by the City.

- **Closing Services**

WM Financial Strategies will provide services required to effectuate the closing of the Bond sale including assisting with the establishment of the Bonds accounts, transfer of funds at the time of the Bond closing, and obtaining CUSIP identification numbers.

REQUIRED DISCLOSURES

WM Financial Strategies, is a registered municipal advisor with the Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). The Municipal Securities Rulemaking Board requires disclosures relating to (a) conflicts of interest, (b) disciplinary events filed with the Securities and Exchange Commission, and (c) fee arrangements. These disclosures are set forth below:

- (a) WM Financial Strategies has no known conflicts of interest relating to this transaction.
- (b) Joy A. Howard has not been the subject of any disciplinary event.
- (c) The Municipal Advisor Agreement includes contingent fees payable upon the closing of the bond sale. The Municipal Securities Rulemaking Board has identified fees contingent on the closing of a transaction as a potential conflict of interest since it could encourage proceeding with a transaction that may not be feasible; however, WM Financial Strategies has a fiduciary duty to serve in the City’s best interest which should mitigate the potential conflict of interest.

WM Financial Strategies is required to provide its clients the following information at least once in any calendar year during the term of its engagement:

- (a) Notice that as a client of a registered municipal advisor you have certain protections from the MSRB.
- (b) You may access a brochure regarding your protections and how to file a complaint on the MSRB’s website at <http://www.msrb.org>.



GILMORE & BELL PC
MARK TWAIN PLAZA – 101 W VANDALIA, SUITE 240-D
EDWARDSVILLE, ILLINOIS 62025-1949
618-307-4274 | 618-307-4284 FAX
GILMOREBELL.COM

January 14, 2020

Mayor Joseph R. Michaelis
City of Highland, Illinois
1115 Broadway
Highland, Illinois 62249-0218

Re: Proposal for Bond Counsel Services

Dear Mayor Michaelis:

We are pleased to submit this proposal to serve as bond counsel in connection with the proposed issuance by the City of Highland, Illinois (the “City”) of general obligation refunding bonds for the purpose of refunding the City’s outstanding General Obligation Bonds (Alternate Revenue Source), Series 2012. The purpose of this letter is to set forth our responsibilities and fees with respect to this financing.

Scope of Services

As bond counsel, we are engaged as recognized independent legal counsel whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of bonds and the income tax treatment of the interest thereon.

As bond counsel, we will perform the following services:

1. assist in planning the financing and structuring the bond issue;
2. examine applicable law as it relates to the authorization and issuance of the bonds and our opinion, and advise the City regarding the legal authority for the issuance of the bonds and other legal matters related to the financing;
3. prepare authorizing proceedings and legal documents relating to the authorization and issuance of the bonds;
4. attend meetings and conferences related to the financing and otherwise consult with the parties to the transaction prior to the issuance of the bonds;
5. assist the City or others in obtaining from governmental authorities such approvals, rulings, permissions, and exemptions as bond counsel determines are necessary or appropriate with respect to the issue;
6. review certified proceedings and documents relating to the authorization and issuance of the bonds;

7. render our legal opinion regarding the validity of the bonds, the federal income tax treatment of interest on the bonds, and such related matters as may be necessary or appropriate;
8. coordinate the closing of the transaction, and after the closing assemble and distribute transcripts of the proceedings and documentation relating to the authorization and issuance of the bonds; and
9. undertake such additional duties as we deem necessary to complete the financing and to render our opinion.

Our opinion will be executed and delivered by us in written form on the date the bonds are exchanged for their purchase price and will be based on facts and law existing as of such date. Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing. Specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide continuing advice to the City or any other party concerning any actions necessary to assure that interest paid on the bonds will continue to be excluded from gross income for federal income tax purposes or to assure compliance with the continuing disclosure requirements of applicable federal securities laws. Nonetheless, subsequent events may affect the tax-exempt status of interest on the bonds and compliance with federal securities laws. Consequently, continued monitoring and other action to assure compliance with these requirements may be necessary. If the City wants our firm to assist with such compliance (*e.g.*, arbitrage rebate calculations and ongoing securities law disclosure), our participation in such post-closing matters must be specifically requested, and a separate engagement involving additional compensation will be required.

In rendering our opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

Fees and Expenses

Based upon: (a) our current understanding of the terms, structure, size and schedule of the financing, (b) the duties we will undertake pursuant to this letter, (c) the time we anticipate devoting to the financing, and (d) the responsibilities we assume, our fee as bond counsel, inclusive of out-of-pocket expenses, will be \$17,500.

Our fee will be payable only at the successful completion of the bond sale. If, for any reason, the financing is not consummated we will not be entitled to any fee or reimbursement of our out-of-pocket expenses.

Mayor Joseph R. Michaelis
January 14, 2020
Page 3

We sincerely appreciate the opportunity to work with the City. If the foregoing terms of this letter are acceptable, please so indicate by arranging to have this letter signed below and returning a copy to me.

Very truly yours,



Sean Flynn

SMF:mas

ACCEPTED and APPROVED:

Date: _____, 2020.

CITY OF HIGHLAND, ILLINOIS

By: _____
Title: _____



City of Highland

Finance Department

MEMO TO: Mark Latham, City Manager
FROM: Kelly Korte, Director of Finance
SUBJECT: Northside TIF #2 Bond Refunding
DATE: January 15, 2020

A Resolution has been requested to be approved at the upcoming council meeting for an Engagement of a Financial Advisor and Bond Counsel in Connection with the Refunding of the outstanding bond issuances related to the Northside TIF #2 Alternate Revenue Bonds relating to the Hospital Project. The City of Highland issued bonds in 2012 related to this project and due to favorable interest rate conditions it has been recommended for us to refinance/refund at this time. It is estimated that the savings net of issuance costs could be approximately \$166,000 over the remaining bond term.

If favorable interest rates are not obtained and savings cannot be realized the refunding process will not be completed and the amounts due the engaged parties will not be owed. The only fee related to the refunding that the City would be responsible for if the transaction is terminated is a portion of the rating fee estimated to be \$8,750.

Joy Howard of WM Financial Strategies will be in attendance at the meeting if questions should arise.

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AND DIRECTING
APPLICATION TO THE MADISON COUNTY, ILLINOIS,
SUSTAINABILITY GRANT PROGRAM
FOR HIGHLAND SILVER LAKE PARK IMPROVEMENTS**

WHEREAS, the City of Highland, Madison County, Illinois (hereinafter “City”), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, City has determined it is in the best interests of public health, safety, general welfare and economic welfare to apply to the Madison County, Illinois, Sustainability Grant Program for Highland Silver Lake Park improvements; and

WHEREAS, City has determined the vast natural resources within the Silver Lake Watershed is of utmost importance to City and its residents; and

WHEREAS, City has determined Highland Silver Lake Park (“Park”) provides City residents and visitors an abundance of recreation opportunities, and is vital to the health and welfare of those that patronize the Park; and

WHEREAS, City desires to install rock-riffles in a ditch that will feed the wetlands being installed within the Park’s boundaries; and

WHEREAS, City has determined the rock-riffles will act as a barrier to slow and trap sediment from entering the lake; and

WHEREAS, City desires to purchase a seeder that can apply seed to areas where the invasive honeysuckle has been eradicated; and

WHEREAS, City has determined obtaining a Madison County, Illinois, Sustainability Program Grant would assist City in completing these Park improvements; and

WHEREAS, the City of Highland desires to apply for a Madison County, Illinois, Sustainability Program Grant; and

WHEREAS, City Department of Parks and Recreation has prepared a proposed application for a Madison County, Illinois, Sustainability Program Grant (attached hereto as **Exhibit A**); and

WHEREAS, City expects to have resources available to complete the project with its matching portion with respect to the grant; and

WHEREAS, City finds the application (**Exhibit A**) should be approved and submitted to the Madison County Sustainability Program; and

WHEREAS, City has determined the City Manager and/or Mayor shall be authorized and directed to execute any documents associated with applying for and/or securing the Madison County, Illinois, Sustainability Program Grant (**Exhibit A**).

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Highland, Illinois, as follows:

- Section 1.* The foregoing recitals are incorporated herein as findings of City.
- Section 2.* City shall submit the application for the Madison County, Illinois Sustainability Grant (**Exhibit A**) to the Madison County, Illinois Sustainability Grant Program to assist City in completing Highland Silver Lake Park improvements as stated herein.
- Section 3.* This Resolution shall be known as Resolution No. _____ shall be effective upon its passage and approval in accordance with law.

Passed by the City Council of the City of Highland, Illinois, approved by the Mayor, and deposited and filed in the Office of the City Clerk, on the _____ day of _____, 2020, the vote being taken by ayes and noes, and entered upon the legislative records, as follows:

AYES:

NOES:

APPROVED:

Joseph R. Michaelis, Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm, City Clerk
City of Highland
Madison County, Illinois



City of Highland

Department of Parks & Recreation

P.O. Box 218

Highland, IL 62249

Phone: 618.654.6071 - Fax: 618.654.1026

www.highlandil.gov

Madison County Sustainability Program
Environmental Grant Application
C/O: Andi Campbell Yancey
157 N. Main St., Suite 254
Edwardsville, IL 62025

The City of Highland is a growing community of over 9,500 residents located 30 minutes east of St. Louis in Madison County IL. Highland attracts many visitors each year due to the endless benefits which are offered. One of the most popular attractions is the Silver Lake area, comprised of over 550 acres of water, 3 lakes, 5 picnic pavilion areas, archery range, fishing opportunities, hiking/biking trail system and an 18 hole disc golf course. The vast Natural Resources within the Silver Lake Watershed is of the utmost importance to the City of Highland who continues to work with the State and Federal EPA in reducing the silt and sediment load which is entering the lake. The City has partnered with these organizations over the past 12 years to reduce the sediment by placing over 20,000 tons of rip rap and filter fabric along the highly erodible areas of Silver Lake and the City Reservoir. The rip rap material has helped not only in reducing the sediment load into the waterways, but the clarity of the water has vastly improved. The city and the Silver Lake Commission is consistently working with local farmers around the lake to educate and increase awareness about farm runoff as well as solutions such as grass waterways and filter strips in areas draining into the lake. The City has also taken steps to remove a large amount of invasive plant species such as autumn olive and bush honeysuckle around the lake areas and restoring those areas to grasslands which aids in runoff reduction as well.

The City of Highland has been very fortunate to partner with the Madison County Sustainability Program in the past, which has allowed the city to sustain and protect over 4000 lineal feet of shoreline and waterways throughout Silver Lake Park. Approximately 85% of the 20 acre city reservoir shoreline is currently protected with filter fabric and rip rap which has greatly reduced the silt and sediment load into the reservoir and into the main body of the lake. This reservoir serves as the City of Highland resident back up water supply should the main body of Silver Lake be compromised or during severe drought conditions.

The City of Highland Parks & Recreation would like to partner again this year with the Madison County Sustainability Program in order to properly reduce the sediment load, severe stream-bank delineation and environmental impacts to the shoreline on the remaining shoreline around the reservoir. Approximately 1000 lineal feet of shoreline, currently owned by the city around the north and southeast sides of the City Reservoir is the target of the work which the grant will greatly aid in completing. Also included in this grant application is 2 large streambank areas located within Silver Lake Park which drain large amounts of water from farm fields and the surrounding subdivision to the North of the lake. We are currently working with the State and Federal EPA and have been granted a 319 implementation grant in order to create a wetland at the end of these two streambanks which will trap any sediment that may pass through. With the aid of the sustainability grant, we would like to rip rap these two large streambank drainage areas in order to protect the banks from erosion leading into the wetland area. Approximately 1,000 lineal feet of streambank would be protected with RR3 rip rap under the same guidelines used around the city reservoir. We have included a skid steer front mount heavy duty seeder/fertilizer under equipment purchases which will greatly aid in the re-seeding and reestablishment of the bank areas which are disturbed by equipment during and following the rip rap placement and invasive species removal.

- Clear invasive species of trees located along the shoreline in order to gain access to the heavily impacted areas via equipment. Healthy trees will not be harmed or removed as a result of the work, invasive trees such as Russian Autumn Olive and Honey Suckle only.
- Add filter fabric to the entire shoreline in order to form a weed barrier which is not penetrated by root systems or invasive species.
- Apply RR3 Rip Rap at a rate of 1.5 feet of depth per square foot to the shoreline approximately 2-3 feet below the water surface and tapering up to the eroded shoreline edge. Apply rock riffles and direct placement rip rap in the two large streambanks tapering up above the current erosion line.
- Re-Grade areas with Harley Rake/skid steer which were affected by use of heavy equipment during the rock installation and utilize the front mount heavy duty seeder to apply erosion control mix seed and straw at a rate of 300 pounds per acre in order to prevent sediment from transferring into the lake. The cost breakdown of the project are as follows:

Material Costs:	RR3 Rip Rap @ \$17.33 Per Ton x 400 tons:	\$7798.50
Filter Fabric:	2,000 Feet:	\$1300.00
Erosion Control Seed/Fertilizer:	Approximately 1100 Pounds:	\$901.50
Blue Diamond/New Holland Power Seeder Attachment:		\$5000.00

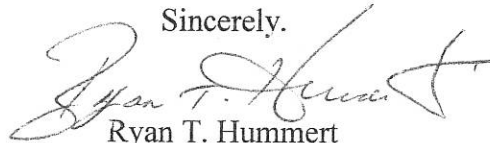
Labor Costs: (1) City of Highland Operator
\$40 per hour x 94 Hours: \$3760.00 (apply as cost match)

Total Project Cost: \$18760.00

Total Grant Amount Requested: \$15,000.00

On behalf of the City of Highland, I would like to thank you for the opportunity to participate in the Madison County Sustainability Program Environmental Grant again this year. We are looking forward to a lasting partnership which will greatly benefit the Natural Resources surrounding Silver Lake as well as the entire community. If you have any questions, please feel free to contact me at any time. Thank you for your consideration.

Sincerely,



Ryan T. Hummert

Natural Resource Manager

City of Highland IL

618-654-6071

rhummert@highlandil.gov

- City Council signed resolution approving the project will be turned in following the next council meeting which will be held the 3rd Monday in January. We could not get this added to the previous agenda in time. I apologize for any inconvenience this may cause and appreciate your understanding.

APPLICATION FOR MADISON COUNTY RESOURCE MANAGEMENT PROGRAM
\$15,000 ENVIRONMENTAL GRANT – FY 2020

A. APPLICANT INFORMATION

1-5-2020

Date

City of Highland FL.
Name of Government

1115 Broadway Highland 62249
Address City Zip

Pat Hummert Natural Resource Mgr. 618-910-3331
Project Manager Title Phone Number

Email: Rhummert@highlandil.gov

Project Title: Silver Lake Shoreline / Streambank Restoration

Project Summary (provide a 3-5 sentence summary of what your project will entail)

Please certify with your signature that the information contained in this application is accurate to the best of your knowledge and that you are authorized to execute this application.

Pat Hummert
Signature

Budget Summary

A. County Funding Requested: \$ 15,000.00

B. Matching Funds Provided By Applicant: \$ 3,760.00

C. Grand Total of Project Budget*: \$ 18,750.00

*Grand Total = County Funding Requested (A) + Matching Funds Provided (B)

D. % of Match Provided by Applicant*: 20.5%

* % Match = (Matching Funds Provided by Applicant (B) ÷ Grand Total of Project Costs (C)) x 100;

Note: match must be at least 20% or more

E. Estimated Return on Investment (if applicable) \$ N/A

If the proposed project will save the grantee money in the form of rebate programs or savings on utilities, visit <https://www.energy.gov/eere/femp/energy-and-cost-savings-calculators-energy-efficient-products> to use the online calculator to determine ROI.

B. PROPOSAL BUDGET

TOTAL COSTS COUNTY FUNDING REQUESTED
1. Equipment/Project \$ \$18,750.00 \$ \$15,000.00

List equipment: - Heavy Duty Seeder/Manure Spreader for Shud Steer - used for Seeding/Re-Seeding Shoreline after Rock work is completed
- RPS material for Shoreline Stabilization

2. Matching fund amount: \$ \$3750.00 Other grant fund amount (optional): \$ N/A

List source of fund*: For kind service provided by city via labor and equipment used to complete the work in house.

*Matching fund source includes any other grant monies or direct contribution utilized for this project. Examples include IEPA, Illinois Clean Energy, ILDCEO, Madison County PEP grant, CDBG, etc. If no other grants are specified, just list local jurisdiction as the sole funder.

ADDITIONAL MATCHING COSTS PAID BY APPLICANT (optional, not included above): Please include all additional costs that are not requested in this grant, but will be spent as part of the project:

EQUIPMENT: \$ \$500.00 EDUCATION: \$ _____

LABOR: \$ \$1,000.00 per yr DISPOSAL/RECYCLING: \$ _____ per yr

TRANSPORTATION: \$ \$1,000.00 per yr OTHER: \$ _____ per yr

TOTAL ADDITIONAL COSTS: \$ \$2500.00

PLEASE NAME THE (3) COMPANIES UTILIZED FOR BIDS ON THIS PROJECT:
(Post chosen bid/estimate on #1)

- Gelly Excavating, 13297 Plocher Way, Highland IL 62249 (\$17.33 per ton)
- Beelmann Trucking, 16701 IL Rt 127, Carlyle IL 62231 (\$18.99 per ton)
- Wilke Truck Service, 7601 Wayne Rd, Beech IL 62230 (21.00 per ton)

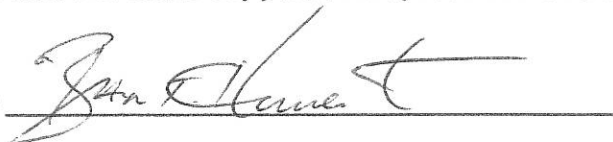
Shud Steer Attachment: Midwest Tractor, Drene IL (\$5,000.00)

**MADISON COUNTY RESOURCE MANAGEMENT PROGRAM
\$15,000 ENVIRONMENTAL GRANT AGREEMENT – FY 2020**

1. The grant amount cannot exceed a total of \$15,000 awarded by the County, and applicants are required to provide 20% matching funds. If the total cost of the equipment is less than \$15,000, that amount will be the total of the grant issued.
2. Upon acceptance of the application by the Planning & Development Committee of the Madison County Board, the Grants Committee, and the entire County Board, the grantee agrees to submit a final invoice for the project to this office along with a request for the appropriate funds.
3. The grantee agrees to include the source of funding in any press releases, articles, or public dedication ceremonies regarding the equipment or programs utilizing the equipment.
4. Grantee agrees to have full approval of application from local governing entity with documented resolution/recognition. Policy and planning projects will require further governing body resolution.
5. The grantee agrees to utilize the equipment for the program outlined in this application for a minimum of four (4) years from the date of this agreement.
6. The grantee agrees and is required to report quantitative data collected in connection to this project to the County on a biannual (June and October) basis if applicable.
7. Changes or modification in the application by the grantee after a signed resolution negates the entire application unless written modification is reviewed and approved by the Sustainability Coordinator and/or the Planning and Development Committee.
8. The grantee agrees to provide such funded equipment in cases of any Madison County emergency management or disaster relief upon request of Madison County Board Chairman.
9. Purchases and all contracts must be made in accordance with Grantee's local bid ordinances, bid policies, or statutes. Grantee agrees to provide three (3) competitive bids that follow local government's bid policy/ordinance for payment of grant funds.
10. The grantee further agrees to display a sticker on funded equipment, provided by grantor, promoting the source of funding if applicable.

As project manager identified on page one, I have read the above stipulations and agree to honor them as written. Failure to honor any portion may result in forfeiture of equipment or reimbursement of grant funds.

Signature



Date 1-5-2020

**MADISON COUNTY RESOURCE MANAGEMENT FY 2020
\$15,000 ENVIRONMENTAL GRANT EVALUATION FORM**

Government Name: City of Highland IL.

Project Title: Silver Lake Shoreline Streambank Restoration

Funding Requested/Total Project Cost: _____

Eligibility/Application Checklist:

Application/Budget Background/Project Plan Resolution Grant Agreement

DO NOT FILL THIS PORTION OUT. TO BE FILLED OUT BY P&D ADMINISTRATIVE REVIEW.

POINT CATEGORY ONE: PRIOR YEARS ALLOCATIONS

The past 7 years funding will be examined (FY 2013-2019). Points will be assigned according to the following allocation ranges during this time period. A maximum of 7 points will be assigned to this category. Solid surface grants will not be tallied into this range. NOTE: Preference will be given to applicants who were not awarded Environmental Grant funding in the prior fiscal year.

A. Was applicant awarded funding through the Madison Co Environmental Grants Program in FY 2019?
YES (0 points) NO (3 points)

B. Total Allocations given in past 5 years:	Points assigned:
\$0-\$28,000	5
\$28,001-\$58,000	4
\$58,001-\$84,000	3
\$84,001 and up	0

Total Points Assigned for Category One: _____

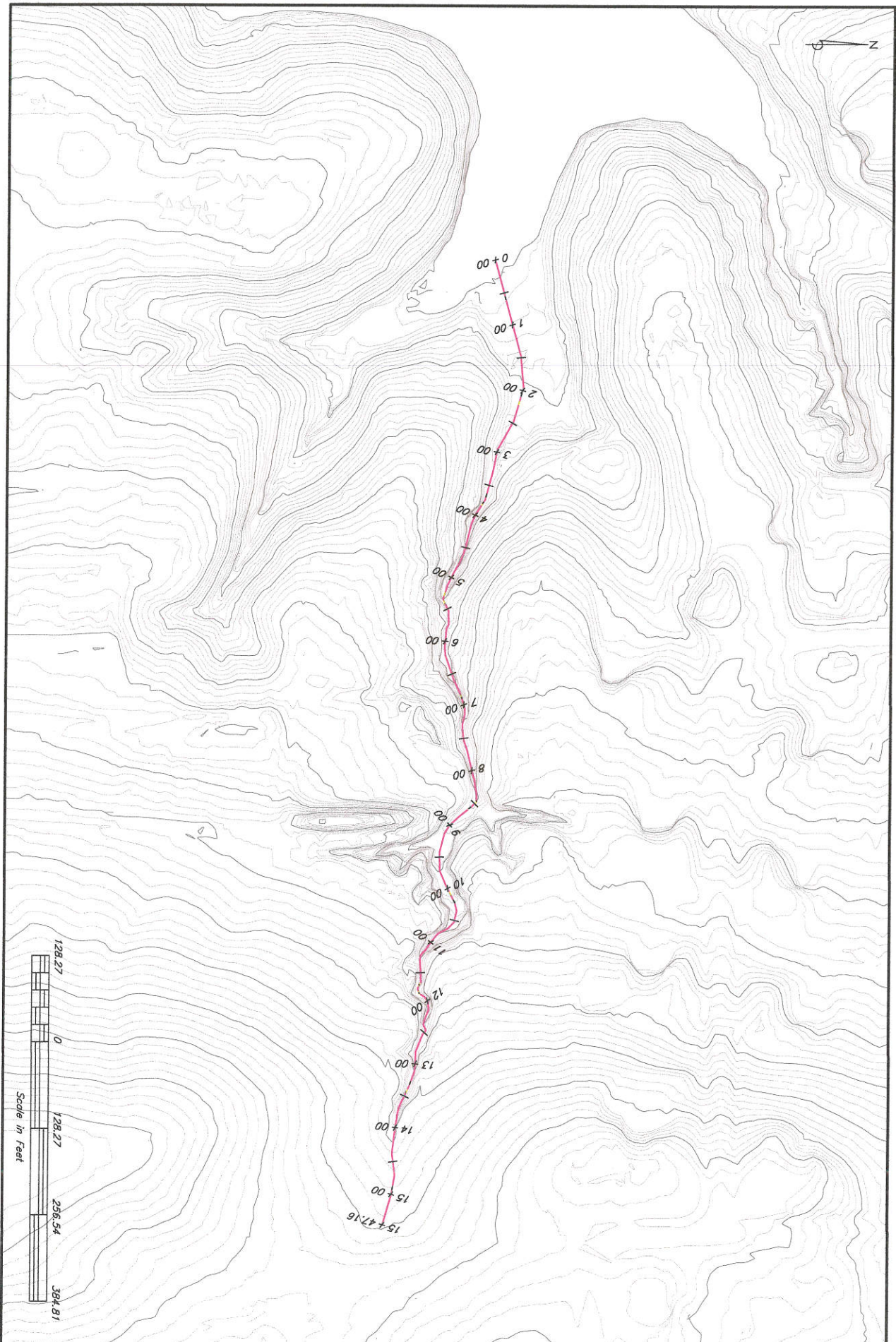
POINT CATEGORY TWO: ENVIRONMENTAL IMPACT

All projects' environmental impact will also be scored in comparison to all applications received in FY 2020. A maximum of 3 points will be assigned to this category. One point will be awarded for each topic/impact area targeted by the proposed project. Environmental impact will be assigned to the following:

Type of Project: (mark all that apply)

- | | |
|----------------------------------------------------------------|-------------------------------------------------------|
| <input type="checkbox"/> Stormwater Management & Water Quality | <input type="checkbox"/> Recycling & Waste Management |
| <input type="checkbox"/> Energy Efficiency | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Planning & Program Development | Total Points Assigned for Category Two: _____ |

Total Points Assigned: _____



File No. 21-017 CIV
 Acq. Riffles.dwg
 Drawing No.
Andreas Consulting Services
 21 Belmont Pl
 Highland Park Riffles Draft Plans 1/8
 618-792-0748

Riffle Sites Preliminary Plans
 Highland Park
 1/8/2020

Highland Silver Lake 319 W/S Project

Madison County, IL

Designed ME Andreas Date 1/8/20
 Drawn ME Andreas 1/8/20
 Checked _____ Page 1 of 4 _____
 Approved _____

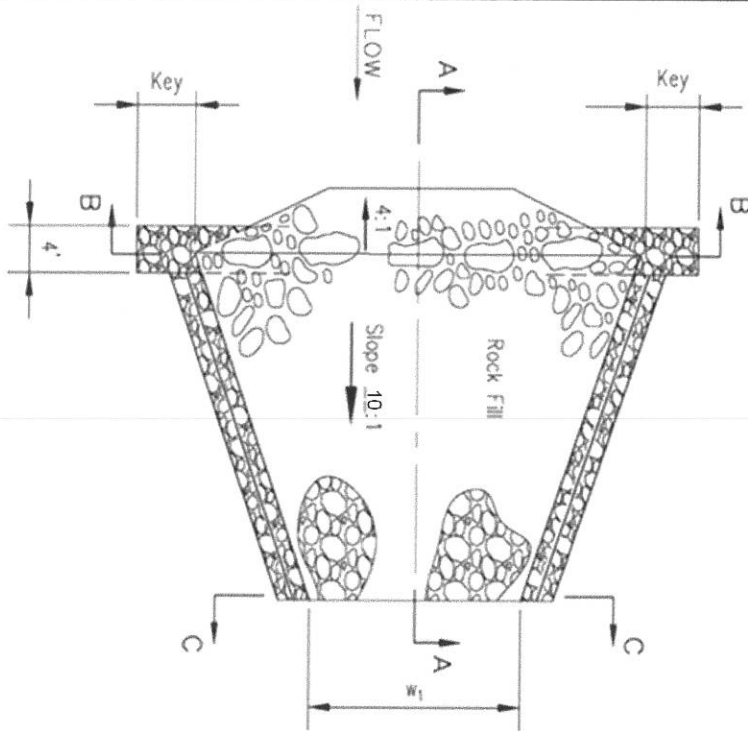
Landowner

Stream

Location

T R Adams County, IL

Sheet 1 of 2



Benchmark EL _____
Description _____

Riffle No	Sta	Control Elev	h_1	h_2	h_3	h_4	W_1	Estimated Rock (Tons)
1	3+18	509.3	1.5	2.0	3.0	1.7	5.0	37
2	4+21	511.9	2.3	2.8	3.8	1.7	5.0	58
3	4+87	514.7	4.0	4.6	5.6	1.7	5.0	128
4	5+35	519.0	3.7	4.2	5.2	1.7	5.0	110
5	6+20	522.8	2.6	3.1	4.1	1.7	5.0	67
6	7+03	526.7	3.0	3.5	4.5	1.7	5.0	81
7	7+65	529.3	2.1	2.6	3.6	1.7	5.0	52
8	8+15	531.3	3.1	3.6	4.6	1.7	5.0	85
8	8+61	532.9	1.4	1.9	2.9	1.7	5.0	35
Total Stone								653 Tons

$(h_2 = h_1 + 0.5)$

GRAD. NO.	h_4 (D ₁₀₀)	D ₅₀
A-4	1.3 ft	7.4 in
A-5	1.7 ft	9.8 in
A-6	2.0 ft	12.1 in
A-7	2.5 ft	14.6 in

- NOTE:
1. Rock gradation shall meet IDOT requirements for GRAD. NO. 5 riprap, quality designation "A," or as designated by engineer.
 2. Use largest available stones from available material as shown for the emergent boulders and crest stone.
 3. Riffle slope shall be 20:1 or flatter where fish passage is required.

NOT TO SCALE



STREAM BANK STABILIZATION
ROCK RIFFLE DETAILS

Date _____
Designed _____
Drawn M. QUINONES 2/08
Checked _____
Approved _____

Landowner

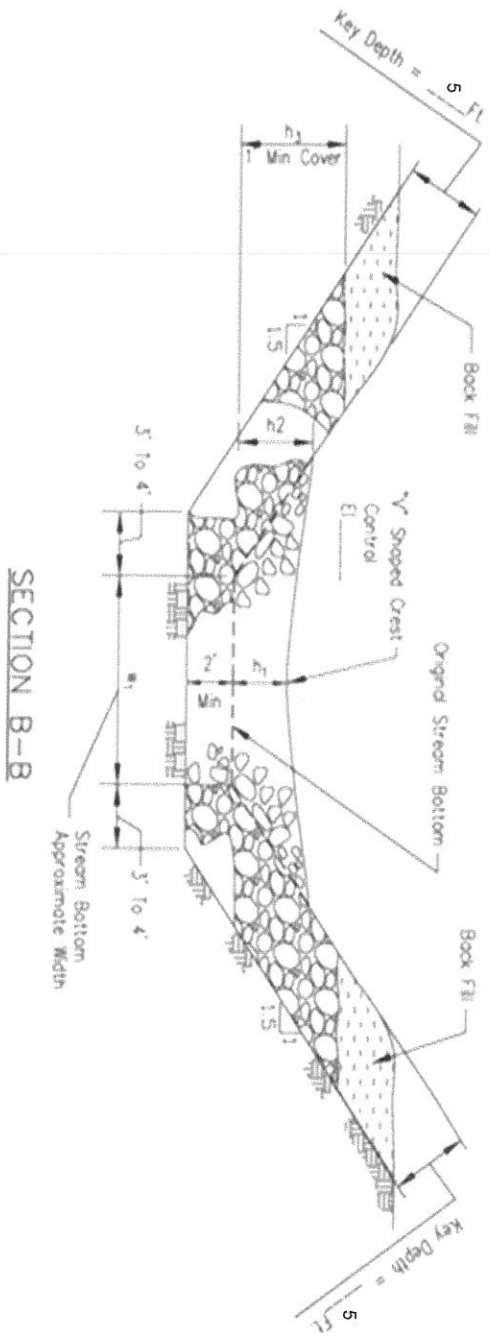
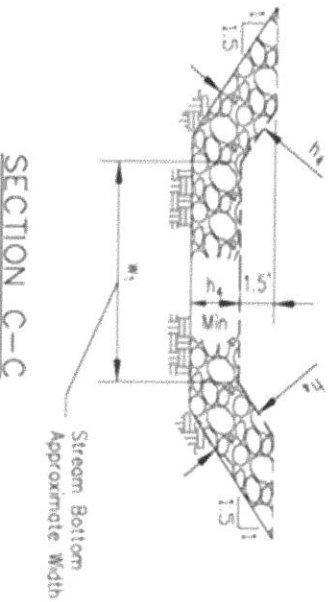
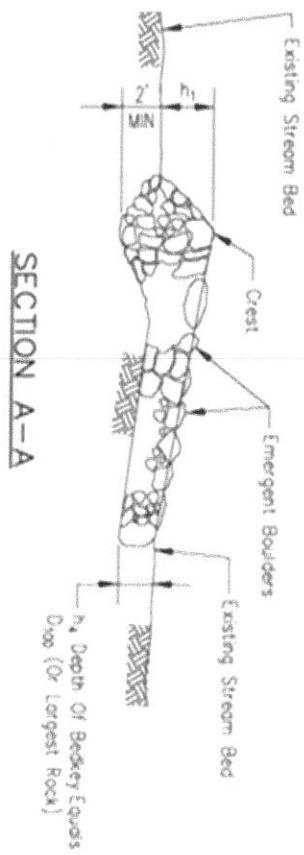
Stream

Location

T R

Adams County, IL

Sheet 2 of 2



NOT TO SCALE



**STREAM BANK STABILIZATION
ROCK RIFFLE DETAILS**

Designed		Date	
Drawn	M. QUINONES	2/08	
Checked			
Approved			



HIGHLAND

PARKS & RECREATION... The *FUN* Theory!

To: City Manager, Mark Latham
From: Mark Rosen, Director of Parks & Recreation
Date: January 21, 2020
Subject: Madison County Sustainability Grant

Recommendation

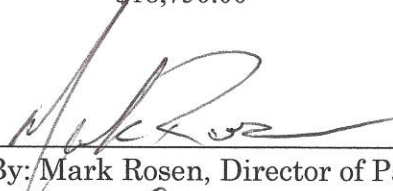
I am recommending city council to approve a resolution for the Madison County Resource Management Program. This program is a \$15,000 environmental grant that will tie in with the current 319 Grant being used for Silver Lake improvements.

Discussion

This grant would allow funding for the installation of rock-riffles in a ditch that will feed the wetlands being installed within the park's boundaries. The rock-riffles act as a barrier to slow and trap sediment from entering the lake. In addition, the grant will allow the department to purchase a seeder that can apply seed to areas where the invasive honeysuckle has been eradicated.

Fiscal Impact

Madison County Grant:	\$15,000.00
Matching Funds/In-kind Labor:	<u>\$3,760.00</u>
	\$18,750.00



Recommended By: Mark Rosen, Director of Parks & Recreation



Approved By: Mark Latham, City Manager

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND/OR CITY MANAGER TO APPLY FOR PARK COMMISSION FUNDS FROM MADISON COUNTY, ILLINOIS

WHEREAS, the City of Highland, Madison County, Illinois (hereinafter “City”), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, the City of Highland, Illinois, proposes to apply for Park Enhancement Funding (“PEP”) funds for the following project(s):

1. Daley Discovery Playground in Rinderer Park:
 - a. Zip-Line
 - b. Dish Swing
 - c. 4800 square feet of rubber tile surface

(*See Exhibit A*); and

WHEREAS, the funding for the projects may exceed the actual amount granted from PEP funds in which the City of Highland, Illinois, agrees to fund the completion of the project from another source; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Highland, Illinois, authorizes the filing of the above-listed applications to Madison County in adherence to all applicable rules and regulations of the PEP program; and

BE IT FURTHER RESOLVED that the City Council of the City of Highland, Illinois, hereby directs and designates the Mayor and/or City Manager to act as the authorized representative in connection with the filing of the aforementioned applications and all concurrent meetings and hearings associated with the project approval process.

Passed by the City Council and approved by the Mayor of the City of Highland, Illinois and deposited and filed in the office of the City Clerk on the _____ day of _____, 2020, the vote being taken by ayes and noes and entered upon the legislative record as follows:

AYES:

NOES:

ABSENT:

APPROVED:

Joseph R. Michaelis, Mayor
City of Highland,
Madison County, Illinois

ATTEST:

Barbara Bellm, City Clerk
City of Highland,
Madison County, Illinois



INSTRUCTIONS FOR SUBMITTAL OF PARK AND RECREATION PEP GRANTS

This application contains the program guidelines, project application pages and park board resolution. When submitting the grant application return pages 7-11 along with bids or quotes. Please submit **one unbound** original signed grant application proposal.

The items included in this package are:

- Request for Proposal (RFP)
- Grant Agreement
- Applicant Information
- Proposed Budget & Scope of Project
- Grant Application Checklist
- Signed Resolution

Specific Instructions

1. Please submit **ONE** original, **UNBOUND** copy. Grant applications should be stapled in the upper left hand corner.
2. Read and sign the Grant agreement (page 7)
3. Complete and sign the Applicant Information Page (page 8-9)
4. Complete the Budget and Scope of Project Page (page 10). Please make sure to provide detailed locations of the project(s).
5. Include copies of bids or quotes for all proposed project activities. Applications that have no bids or quotes will not be funded.
6. Include copies of information pertaining to projects to be completed with grant funds, including but not limited to photos, equipment specifications.
7. Please indicate what provisions will be made for people with disabilities in compliance with the Americans with Disabilities Act and the Illinois Accessibility Code. All projects applications that include construction MUST include a sign-off from IMPACT, an engineer or architect. Applications missing the provisions for persons with disabilities will not be funded.
8. Resolution approving submission of the 2020 PEP Grant (Page 11). Applications that are missing the Resolution signed by their governing board will not be funded.

***The application must be submitted no later than by 4:00 P.M., on March 4th, 2020, to the Madison County Community Development office, 130 Hillsboro Ave., Edwardsville, IL 62025.** If you would like an electronic version of this application, please e-mail us. Please direct all questions to:

James Arnold (jparnold@co.madison.il.us)
Madison County Community Development
130 Hillsboro Avenue
Edwardsville, IL 62025
(618) 296-4247



Application Check List

- ONE** original, **UNBOUND** copy. Grant applications should be stapled in the upper left hand corner.
 - Signed Grant agreement
 - Completed and signed Applicant Information
 - Completed Budget and Scope of Project Page
 - Copies of bids or quotes for all proposed funding
 - Copies of information pertaining to projects to be completed with grant funds, including but not limited to photos, equipment specifications.
 - Provisions for people with disabilities.
 - Resolution approving submission of the 2020 PEP Grant.
-



REQUEST FOR PROPOSALS

MADISON COUNTY PARK AND RECREATION GRANT COMMISSION PARK ENHANCEMENT PROGRAM

The Madison County Park and Recreation Grant Commission (hereafter Commission), is announcing a request for proposals for the 2020 (PEP) grant program. This grant program is designed to assist park districts and municipal parks and recreation departments within Madison County to develop and enhance their parks. The goal of the program is to provide immediate assistance to the Park Districts and Departments. The Commission plans to have the grants in place by April 1, 2020. **This grant program is designed to supplement, not replace or reduce levels of funding set in a community’s budget for park operations.**

ELIGIBLE APPLICANTS:

Eligible applicants are park districts, municipal park and recreation departments, and local units of government within Madison County, Illinois.

Eligible applicants are:

- Park districts, Municipal Park and recreation departments, local units of government within Madison County.
- The municipality must have a park commission, board or committee designated to oversee the park operations and maintenance.
- The municipality and/or park district must have a park and/or recreation area that is owned and operated by the municipality or park district.

GRANT COORDINATION:

In an effort to reduce administrative costs and with the permission of the Madison County Board and its Chairman, the Commission has been allowed to utilize the services of the Madison County Community Development (MCCD) offices and their staff to accept applications and coordinate processing.

GRANT DEADLINE

Completed applications are due at Madison County Community Development, 130 Hillsboro Avenue, Edwardsville, IL 62025, **no later than 4:00pm on Monday, March 4th, 2020.**

GRANT AWARD NOTIFICATION

Notification of grants to be awarded will be made after the **March 18th, 2020** Madison County Board Meeting.

OWNERSHIP REQUIREMENT

Land and equipment purchased with PEP funds must be owned and maintained by the park district and/or local unit of government applying for funding.



MAXIMUM GRANT AMOUNT

- For the 2020 PEP grant, the maximum grant amount shall be determined based upon the population of the Municipality that has a Park Department or the Park District generally serving the Municipality.
- The maximum grant amount shall be four dollars/per person based upon the 2010 census.
- Special census' that were conducted prior to the 2010 census are no longer valid.
- Population figures shall not be duplicated in cases of City/Township. Residents will only be counted in one population area.
- If there is a dispute between city/township/district, it is up to the city/township/district to accurately provide proof of population courtesy of tax bodies, addresses, etc.
- For our smaller communities a grant minimum of \$15,000 will be awarded if the four dollar per person total is less than the \$15,000 amount.

ELIGIBLE EXPENDITURES

Madison County PEP grant funding must be used for projects that enhance the use of public parks that are open to the public. The Grants Committee, Parks and Recreation Advisory Committee and Madison County Community Development hold the right to determine final eligibility.

Eligible types of capital improvements include but are not limited to the following:

- Playground equipment
- Plants, shrubs, trees, flowers, etc.
- Fencing
- Recreation equipment – basketballs, softballs, bleachers, etc.
- Land acquisition to expand existing park
- Benches, fountains, picnic tables, grill, etc.
- Facility improvements such as athletic fields and courts
- Park restrooms that are ADA Accessible/compliant
- Park walking paths
- Lake/pond improvements
- Gazebos
- Pet Parks
- Greenhouses
- AED's
- First time construction of concession stand
- ADA parking for park lots
- Park signage*
- Major Recreation Facilities*

INELIGIBLE EXPENDITURES

The funds may not be used for administration purposes and operating costs. If there is a membership fee to your park or recreation complex, then equipment purchases for that park or recreation complex are ineligible unless approved.*



2020

[MADISON COUNTY PARKS AND RECREATION COMMISSION]

Ineligible types of grants are as follows:

- Architect or Engineering design fees
- Staff Salaries, benefits
- Transportation & mileage
- Maintenance supplies
- Digital cameras or other electronic office equipment such as LCD monitors, gaming systems and games and projection screens
- Weight or fitness equipment, unless there is free membership
- General office equipment/supplies
- Improvements made to staff or office spaces such as adding carpeting, adding a drop ceiling, air conditioning a break room
- Pop-up tents/tents
- **Road/Parking improvements***
- **Maintenance sheds/other areas not open to the public***
- **Wheeled equipment***
- **Concession stand equipment***

***Maintenance Sheds, Signage, Wheeled Vehicles, Concession stand equipment and Major Recreation Facilities will be considered for PEP grant funds on a case by case basis. Additional support documentation shall be submitted demonstrating the benefit of the project to the community's residents and to the park and recreation program the governmental entity provides. The Commission will accept written requests for these projects no later than February 10th, 2020 by 4:00pm. A determination will be made at the February 12, 2020 Park Commission meeting of the projects selection. If the project is not awarded, an alternative project may be submitted.**

MATCHING FUND REQUIREMENT

For the 2020 PEP, no matching funds are required. However the PEP grant may be used as match funding for other park grants.

EVALUATION

The Commission will evaluate all complete proposals received by the deadline. Additional information may be asked of the grantees.

PURCHASING REQUIREMENTS

Purchases should follow your City or Park District bid ordinances. If the park district does not have bid process, Madison County procurement policy must be followed. Each purchase made by the park must have a minimum of three (3) bids if the park district does not have a formal procurement policy. Failure to provide bids, quotes or estimates with your grant application will result in your grant not being funded. Any construction/labor job that is bid out must use the State Prevailing Wage Rate. The community will be required to obtain and monitor time sheets from the contractor.



2020

REPORTING REQUIREMENTS

Within ninety (90) days of completion of project, the grantee must send a report to Grant Commission via MCCD. This report should document all activities pertaining to the original grant request, e.g. photos of the equipment purchased, photos of equipment in use or on location such as playground equipment.

PUBLIC RELATIONS

Madison County Community Development will coordinate public relations support on the respective projects funded by the park and recreation PEP grants. Based on the scope of the grant and project, the support will include news and photo releases. Additional information on the public relations support can be obtained by contact James Arnold, Madison County's Program Coordinator, at 296-4247.

PAYMENT SCHEDULE

Payments will not be processed without completed W9's

PEP Grant funding can be paid out using either of the following options at the discretion of the park district or municipality.

- **Payment Option 1:** Funds may be distributed directly to the vendors. To accomplish this, the community/park district should submit to MCCD, the original invoice accompanied by a cover letter from the community requesting the direct vendor payment and W-9 for the vendor. All bid documentations as well as a copy of the letter of award to that vendor, must be on file at MCCD before payment will be made. Bid documentation must be turned in with each invoice request or the Auditor will not pay the bill. ***Past due invoices will only be paid on a reimbursement basis***
- **Payment Option 2:** The entire grant amount can be reimbursed to the community after the project is completed. In order for a payment to be released, we will need a letter from the community requesting reimbursement, as well as a copy of all invoices and receipts, and all cancelled checks for the item(s) purchased. All bid documentations as well as a copy of the letter of award to that vendor, must be on file at MCCD before reimbursement will be made.

MODIFICATION OF REQUESTS FOR PROPOSALS

It is the intent of the Commission to provide these grants according to the terms above but shall not be bound by this procedure for future grant awards. Any conflicts and all final decisions will be determined by majority vote of the Park and Recreation Grants Commission.



MADISON COUNTY PARK AND RECREATION GRANTS COMMISSION PARK ENHANCEMENT PROGRAM (PEP) GRANT AGREEMENT & CERTIFICATIONS

- 1. The grant amount cannot exceed the maximum grant allowed to the entity as outlined in the Request for Proposals. The grant award shall be for the specified project only. Salaries, mileage, transportation costs, shall not be paid with grant funds.
2. Upon acceptance of the application by the Commission Board, and the Grants Committee, and Madison County Board, the grantee agrees to submit invoices or receipts for the project to MCCD, along with a request for payment.
3. The grantee agrees to include the source of funding in press releases, articles, or public dedication ceremonies regarding the project or programs utilizing PEP funding. The grantee is responsible for contacting their current County Board member to coordinate a press release, etc., that relates to the project or programs using PEP funding.
4. The grantee agrees to use the PEP funds outlined in this application no later than April 1, 2021.
5. No equipment or materials purchased with PEP funds will be used for purposes other than those stated in this application.
6. All Purchases must be made in accordance with Grantees local bid ordinances, bid policies, state statutes or by the provisions contained in these grant documents.
7. There shall be no transfer of ownership of any equipment/land purchased with these funds without notification and approval by the Madison County Park and Recreation Grants Commission.

I have read the above certifications and agree to honor them as written. I certify with my signature that the information contained in this application is accurate to the best of my knowledge and that I am authorized to execute this application for my community.

City of Highland
Name of Community

Signature Date



APPLICANT INFORMATION FOR THE 2020
MADISON COUNTY PARK &
RECREATION GRANT COMMISSION
PARK ENHANCEMENT PROGRAM (PEP)

February 3, 2020
Date

City of Highland
Name of Park District or Municipal Park & Recreation Department

P.O. Box 218 Highland 62249
Address City Zip

Mark Rosen Dir. of Parks & Rec. 651-8899 mdrosen@highlandil.gov
Contact Person Title Phone # E-mail Address

P.O. Box 218 Highland 62249
Address City Zip

Please certify with your signature that the information contained in this application is accurate to the best of your knowledge and that you are authorized to execute this application for your community.

Signature

Please enter totals from attached proposal budget

A. Total Project Costs: \$59,185.64

B. County Funding Requested: \$39,116.00



2020

[MADISON COUNTY PARKS AND RECREATION COMMISSION]

PROVISIONS FOR PEOPLE WITH DISABILITIES Required for all Projects

Please indicate what provisions will be made for people with disabilities in compliance with the Americans with Disabilities Act and the Illinois Accessibility Code. All projects MUST include a sign-off from IMPACT, CIL, a certified engineer or certified architect. The sign-off is a recommendation or certification on how to bring the project(s) into ADA compliance. It is expected that each community/park district incorporate these recommendations into their application.

It is also permissible to choose pre-fab products (picnic tables, bleachers) that are certified by a reputable company as ADA accessible. HOWEVER, it is still the municipality/park districts responsibility to insure that pathways leading up to the modified/improved areas are ADA compliant/accessible as well.

Also, please note that some purchases, like drinking fountains, would require an accessible drinking fountain option. Information about accessible equipment can also be obtained from IMPACT, CIL.

I am requesting funding to complete the All-Abilities Playground at Rinderer Park. All-Inclusive Recreation was the designer on this playground and it meets or exceeds all ADA compliancy.



PROPOSED BUDGET & SCOPE OF PROJECT

Name of Community

TOTAL ESTIMATED COSTS

PARK COMMISSION
FUNDING REQUESTED

\$59,185.64

\$39,116.00

Scope of Project: (Include the name and address of the park(s))

The purchase of this equipment will complete this project after two long years of fundraising and utilizing grant money. Although this playground, in essence has only been in operation for a year, it has already impacted many lives.

Multiple horizontal lines for additional text input.



2020

[MADISON COUNTY PARKS AND RECREATION COMMISSION]

The application must be submitted no later than by 4:00 P.M., on March 4th, 2020, to the Madison County Community Development.



RESOLUTION

Resolution authorizing the Mayor/Supervisor/Park Board
To Apply for Park Commission Funds
From Madison County

WHEREAS, the City of Highland (Village, City, Township or Park Board) proposes to apply for PEP funds for the following project(s):

Playground equipment

*Dish Swing

*Dual Rail-Rider

*Rubber tile surfacing; and

WHEREAS, the funding for the projects may exceed the actual amount granted from PEP funds in which the Village, City, Township or Park Board of City of Highland agrees to fund the completion of the project from another source;

NOW, THEREFORE, BE IT RESOLVED that the Official Board of the Village, City, Township or Park Board of City of Highland authorizes the filing of the above listed applications to Madison County in adherence to all applicable rules and regulations of the PEP program; and

BE IT FURTHER RESOLVED that the Official Board of the Village, City, Township or Park Board of City of Highland hereby directs and designates the Chief Elected Official to act as the authorized representative in connection with the filing of the aforementioned applications and all concurrent meetings and hearings associated with the project approval process.

PASSED this ___ day of ___, 2020.

Signature of Elected Official

Attested by Clerk/Secretary



HIGHLAND

PARKS & RECREATION... The *FUN* Theory!

To: City Manager, Mark Latham
From: Mark Rosen, Director of Parks & Recreation
Date: January 21, 2020
Subject: Madison County PEP Grant

Recommendation

I am recommending city council approval to approve a resolution accepting the purchase and installation of equipment at the Daley Discovery Playground in Rinderer Park.

Discussion

The completion of the Daley Discovery Playground will be able to be completed this year with this grant and the funds remaining in the Highland Area Community Foundation.

The remaining items to be completed with this grant are the "zip-line", dish swing and 4,800 square feet of rubber tile surface.

I also intend to utilize a portion of the HACF funds to purchase an additional feature for autistic children to further enhance the playground.

Fiscal Impact

Madison County PEP Grant:	\$39,116.00
HACF:	\$50,000.00

Recommended By: Mark Rosen, Director of Parks & Recreation

Approved By: Mark Latham, City Manager

RESOLUTION NO. _____

**RESOLUTION WAIVING COMPETITIVE BIDDING REQUIREMENT AND
AUTHORIZING PURCHASE OF ITRON ELECTRIC METERS FROM
ANIXTER POWER SOLUTIONS, LLC**

WHEREAS, the City of Highland, Madison County, Illinois (hereinafter “City”), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, City has determined the Light & Power Department has a need for 1,000 ITRON electric meters; and

WHEREAS, City has determined the 1,000 ITRON electric meters should be purchased from Anixter Power Solutions, LLC (“Anixter”) in the amount of \$91,500.00 (Quotation attached hereto as **Exhibit A**); and

WHEREAS, the City Light & Power Department has selected the Tantalus/ITRON solution as the provider of “Smart Meters” to City; and

WHEREAS, City has determined ITRON has defined geographic service territories and Anixter is the dedicated vendor for ITRON electric meters to City; and

WHEREAS, City has determined that because Anixter is the dedicated vendor for ITRON electric meters to City, there is no opportunity for competitive bidding for the 1,000 ITRON electric meters; and

WHEREAS, the Director of Light & Power has informed the City Council the ITRON electric meters work best for City applications and are compatible with the existing City meters; and

WHEREAS, the Director of Light & Power has informed the City Council that all current electric meters being used by City are ITRON, and ITRON electric meters have proven to be an excellent product over the last several years; and

WHEREAS, the Director of Light & Power has informed the City Council that the 1,000 ITRON electric meters will be funded from money budgeted and approved for the current fiscal year under GL#101-104-5-530-60; and

WHEREAS, the City Council finds that the Quotation (**Exhibit A**) for the purchase of 1,000 ITRON electric meters for the amount of \$91,500.00 should be approved; and

WHEREAS, the City Council deems it to be in the best interests of City to waive the competitive-bidding requirement that would otherwise apply and to purchase the 1,000 ITRON electric meters from Anixter pursuant to the Quotation (**Exhibit A**); and

WHEREAS, the City Council also finds that the City Manager should be authorized and directed, on behalf of the City of Highland, to execute whatever documents are necessary to make the purchase, pursuant to the Quotation (**Exhibit A**).

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Highland, Illinois, as follows:

Section 1. The foregoing recitals are incorporated herein as findings of the City Council of the City of Highland, Illinois.

Section 2. Purchase of the 1,000 ITRON electric meters, for the amount of \$91,500.00, from Anixter, as set forth in the Quotation (**Exhibit A**), is approved.

Section 3. The City Manager is directed and authorized, on behalf of the City of Highland, to execute whatever documents are necessary to make the purchase.

Section 4. This Resolution shall be known as Resolution No. _____ and shall be effective upon its passage and approval in accordance with law.

Passed by the City Council of the City of Highland, Illinois, and deposited and filed in the Office of the City Clerk, on the ____ day of _____, 2020, the vote being taken by ayes and noes, and entered upon the legislative records, as follows:

AYES:

NOES:

APPROVED:

Joseph R. Michaelis, Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm, City Clerk
City of Highland
Madison County, Illinois



1100 Old State Road
 PO Box 729
 Mattoon, IL 61938

METERS

www.anixterpowersolutions.com

Phone: 217.235.0546
 Fax: 217.235.0024

Quotation: U00612946.00

To: **HIGHLAND MUNC ELECTRIC DEPT**
2610 PLAZA DRIVE
HIGHLAND, IL 62249

Issued Date: **Jan 13, 2020**
 Expiration Date: **Feb 12, 2020**

Attn:
 Phone:
 Fax:

Sales Contact: **Tara Hooten**
(P)
(F) 217.235.0024
tara.hooten@anixter.com

Item	CustLine	Product and Description	Quantity	Price	Unit	Extended
1		J820501 CENTRON C2SXD, FM2S, CL200, 240V	1000	91.500	EA	91,500.00

SECTION TOTAL: \$91,500.00

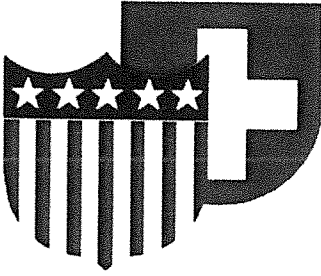
QUOTE TOTAL: \$91,500.00

Special Notes

- 1) All items are In Stock unless otherwise noted.
- 2) All item pricing on this quote is valid for thirty days unless otherwise specified.
- 3) All applicable taxes apply.

For the latest terms & conditions please visit: <https://www.anixterpowersolutions.com/site/legal/purchase-terms.html>

Anixter Power Solutions offers the industry's most extensive and dynamic portfolio of products, services and solutions for the Public Power, Investor-owned Utilities, Construction and Industrial markets.



City of Highland

Department of Light and Power

Memo to: Mark Latham, City Manager
From: Dan Cook, Director of Light & Power
Date: January 13, 2020
Subject: Issuance of Purchase Order to Anixter

RECOMMENDATION

I recommend that you seek council approval to waive usual and customary bidding procedures and issue a purchase order to Anixter in the amount of \$91,500.00 for 1,000 single phase, class 200 meters as detailed in the attached quotation.


DISCUSSION

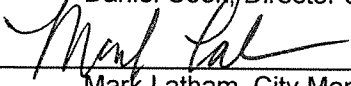
The city has selected the Tantalus/ITRON solution as our provider of "Smart Meters". Since ITRON has defined service territories and Anixter is the dedicated vendor for our territory, there is no possibility for competitive bidding and this product is the one which works best for our application and is compatible with the existing meters. All current meters in our system are ITRON and have been providing satisfactory service for several years. (Just a note, the price of this item has not increased since last purchased a year ago.)

FISCAL IMPACT

This purchase will be funded from money budgeted and approved for the current Fiscal year under GL#101-104-5-530-60.

CONCURRENCE

Recommended by: 
Daniel Cook, Director of Light & Power

Approved by: 
Mark Latham, City Manager

RESOLUTION NO. _____

WAIVING COMPETITIVE BIDDING REQUIREMENT AND AUTHORIZING PURCHASE OF POLYPHASE METER COMMUNICATION MODULES WITH ASSOCIATED LICENSES FROM TANTALUS SYSTEMS, INC.

WHEREAS, the City of Highland, Madison County, Illinois (hereinafter “City”), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, City has determined the Light & Power Department has a need for 1,000 model #TC-1220_RD meter communication modules with associated licenses; and

WHEREAS, City has determined the 1,000 model #TC-1220_RD meter communication modules with associated licenses should be purchased from Tantalus Systems, Inc. (“Tantalus”) in the amount of \$78,500.00 (Quotation attached hereto as **Exhibit A**); and

WHEREAS, the City Light & Power Department has selected Tantalus to be City’s Smart Meter Network Service Provider; and

WHEREAS, City has determined Tantalus has a defined geographic service territory; and

WHEREAS, City has determined that because Tantalus has a defined geographic service territory, there is no opportunity for competitive bidding for the 1,000 model #TC-1220_RD meter communication modules with associated licenses; and

WHEREAS, the Director of Light & Power has informed the City Council the model #TC-1220_RD meter communication modules with associated licenses, sold by Tantalus, are the only product that will work with the current City system; and

WHEREAS, the Director of Light & Power has informed the City Council that the purchase of the model #TC-1220_RD meter communication modules with associated licenses, sold by Tantalus, will allow City to phase in the purchase of replacement meters over several years because this product is compatible with the existing metering system; and

WHEREAS, the Director of Light & Power has informed the City Council that the 1,000 model #TC-1220_RD meter communication modules with associated licenses, sold by Tantalus, will be funded from money budgeted and approved for the current fiscal year under GL#101-104-5-530-60; and

WHEREAS, the City Council finds that the Quotation (**Exhibit A**) for the purchase of 1,000 model #TC-1220_RD meter communication modules with associated licenses, sold by Tantalus, for the amount of \$78,500.00 should be approved; and

WHEREAS, the City Council deems it to be in the best interests of City to waive the competitive-bidding requirement that would otherwise apply and to purchase the 1,000 model #TC-1220_RD meter communication modules with associated licenses, sold by Tantalus, pursuant to the Quotation (**Exhibit A**); and

WHEREAS, the City Council also finds that the City Manager should be authorized and directed, on behalf of the City of Highland, to execute whatever documents are necessary to make the purchase, pursuant to the Quotation (**Exhibit A**).

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Highland, Illinois, as follows:

Section 1. The foregoing recitals are incorporated herein as findings of the City Council of the City of Highland, Illinois.

Section 2. Purchase of the 1,000 model #TC-1220_RD meter communication modules with associated licenses, sold by Tantalus, for the amount of \$78,500.00, as set forth in the Quotation (**Exhibit A**), is approved.

Section 3. The City Manager is directed and authorized, on behalf of the City of Highland, to execute whatever documents are necessary to make the purchase.

Section 4. This Resolution shall be known as Resolution No. _____ and shall be effective upon its passage and approval in accordance with law.

Passed by the City Council of the City of Highland, Illinois, and deposited and filed in the Office of the City Clerk, on the ____ day of _____, 2020, the vote being taken by ayes and noes, and entered upon the legislative records, as follows:

AYES:

NOES:

APPROVED:

Joseph R. Michaelis, Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm, City Clerk
City of Highland
Madison County, Illinois



Tomorrow's Smart Grid. Today.

January 13, 2020

Dan Cook
+1 618-654-7511
dcook@highlandil.gov

Highland Light and Power (IL)
PO Box 218
1115 Broadway
Highland, Illinois 62249-0218
United States

Kim Harrison
kharrison@tantalus.com

Tantalus Systems
1130 Situs Ct
Suite 230
Raleigh, North Carolina 27606
United States

SUMMARY

PRODUCT	DESCRIPTION	SALES PRICE	QTY	TOTAL PRICE
TC-1220-RD	TPM Controller - Itron CENTRON C2SXD - 240V	\$75.00	1,000	\$75,000.00
NSE-201	TUNet Software Endpoint	\$3.50	1,000	\$3,500.00
Total:				\$78,500.00

NOTES:

- Prices are in US Dollars and are exclusive of taxes, duties, freight, or insurance.
- Price does not include shipping. All products are shipped FOB Origin.
- Service time does not include installation of meters, collectors, repeaters, or other infrastructure equipment.
- Tantalus service time will be billed at actual. If additional days are necessary, Customer will be billed at the rate of \$1,500.00 per day.
- This quotation may contain allowances, discounts and/or promotional pricing. The prices quoted are valid for 30 days from the date of this quote.
- Additional equipment purchases and services shall be invoiced at Tantalus' then current List Price.
- Annual license and support and maintenance fees apply. Please work with your account representative to determine specific costs for your equipment.



City of Highland

Department of Light and Power

Memo to: Mark Latham, City Manager
From: Dan Cook, Director of Light & Power
Date: January 13, 2020
Subject: Issuance of Purchase Order to Tantalus

RECOMMENDATION

I ask that you seek council approval to waive usual and customary bidding procedures and issue a purchase order to Tantalus in the amount of \$78,500.00 for 1,000 model #TC-1220-RD meter communication modules with associated licenses as detailed in the attached quotation.

DISCUSSION


The city has selected Tantalus to be our Smart Meter Network Service Provider. Since Tantalus has defined service territories, there is no possibility for competitive bidding and this product is the only one which will work with our current system. Using this product line allows us to phase in the purchase of replacement meters over several years since it is compatible with the existing metering and will also allow us to read the water meters as installed since there are no current plans to replace them (other systems would strand the water meter investment). (Just a note, the price of this item has not increased since last purchased a year ago.)

FISCAL IMPACT

This purchase will be funded from money budgeted and approved for the current Fiscal year under GL#101-104-5-530-60.

CONCURRENCE

Recommended by: 
Daniel Cook, Director of Light & Power

Approved by: 
Mark Latham, City Manager

RESOLUTION NO. _____

**A RESOLUTION APPROVING VIVICAST SYSTEM PARTICIPATION AGREEMENT
WITH VIACOM MEDIA NETWORKS,
A DIVISION OF VIACOM INTERNATIONAL INC., ON ITS OWN BEHALF
AND ON BEHALF OF BLACK ENTERTAINMENT TELEVISION, LLC,
FOR CITY OF HIGHLAND D/B/A HIGHLAND COMMUNICATIONS SERVICES**

WHEREAS, the City of Highland, Madison County, Illinois (hereinafter “City”), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, the City of Highland d/b/a Highland Communication Services (hereinafter “HCS”) is a Member of the National Telco Television Consortium LLC (hereinafter “NTTC”) by way of the City Council’s resolution adopted and approved on February 6, 2012, approving the *National Telco Television Consortium Membership Agreement*; and

WHEREAS, the NTTC is now known as Vivicast Media, LLC as successor-in-interest to National Telco Television Consortium, LLC (hereinafter “Vivicast”); and

WHEREAS, City Council desires to obtain for HCS, as a member of Vivicast, the right to participate in the Agreement between Vivicast and Viacom Media Networks, a Division of Viacom International Inc., on its own behalf and on behalf of Black Entertainment Television, LLC (“Viacom / BET”) for the purpose of obtaining a non-exclusive license and right to distribute certain program services; and

WHEREAS, the Telecommunications Advisory Board, in the exercise of the plenary authority concerning editorial control, conferred on it by Ordinance No. 2399, adopted on January 18, 2010, and by Section 613(e)(2) of the Cable Franchise Policy Act of 1984 (47 U.S.C. §533(a)(2)), has determined that the HCS’ acquisition and distribution of the programming would be appropriate; and

WHEREAS, the Viacom / BET has provided to the HCS:

1. Viacom Networks / Vivicast Agreement Amendment Summary 2020 – 2021;
2. Binding Participating Member Letter of Agreement and Commitment for the Renewal of the Cable & IPTV Cable Affiliation Agreement by way of Amendment;

(Exhibit A); and

WHEREAS, City Council finds that the terms of the:

1. Viacom Networks / Vivicast Agreement Amendment Summary 2020 – 2021;
2. Binding Participating Member Letter of Agreement and Commitment for the Renewal of the Cable & IPTV Cable Affiliation Agreement by way of Amendment;

(Exhibit A) should be approved; and

WHEREAS, the City Manager and/or Mayor should be authorized and directed to execute any documents required to participate in the Agreement between Vivicast and Viacom / BET.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Highland as follows:

Section 1. The foregoing recitals are incorporated herein as findings of the City Council of the City of Highland, Illinois.

Section 2. City Council has determined, for purposes of participating in the Agreement between Vivicast and Viacom / BET, the following documents:

1. Viacom Networks / Vivicast Agreement Amendment Summary 2020 – 2021;
2. Binding Participating Member Letter of Agreement and Commitment for the Renewal of the Cable & IPTV Cable Affiliation Agreement by way of Amendment;

(Exhibit A) are approved.

Section 3. The City Manager and/or Mayor is authorized and directed, on behalf of City, to execute all documents required to participate in the Agreement between Vivicast and the Viacom / BET.

Section 4. This Resolution shall be known as Resolution No. _____ and shall be effective upon its passage and approval in accordance with law.

Passed by the City Council of the City of Highland, Illinois, approved by the Mayor, and deposited and filed in the Office of the City Clerk, on the _____ day of _____, 2020, the vote being taken by ayes and noes, and entered upon the legislative records, as follows:

AYES:

NOES:

ABSENT:

APPROVED:

Joseph R. Michaelis
Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm
City Clerk
City of Highland
Madison County, Illinois

Viacom Networks/Vivicast Agreement Amendment Summary 2020-2021

(Amendment dated December 2, 2019)

Carriage

- Participating Members shall continue carriage of each of the Services at the same or more favorable level of carriage as Services were being carried immediately preceding the Amendment Effective Date and consistent with the terms for the Agreement
- Suite Deletions: Participating Members shall have the one-time right, upon 30 days prior written notice (to Vivicast & Network) to discontinue carriage of BET SOUL, BET GOSPEL AND/OR MTVU

Fees & Terms:

- Agreement Amendment Term through December 31, 2021
- 2 Min Commercial Avail Time
- Bulk Rates Available (EBU 40%)

Rates are per Subscriber/per Service

Year	2020	2021
Core Services*	\$7.291	\$7.674
BET	\$0.376	\$0.396
MTV Live	\$0.612	\$0.644

* An additional \$0.05 total discount will apply when MTV, Nickelodeon, VH1, Paramount, TV Land, Comedy Central, CMT, Nick Jr., and MTV2 are distributed on Level 100 and the Core Suite Services (TeenNick, MTV Classic, Nick Music, Nicktoons, and Logo) are carried on Level 200.

SUITE SERVICES

Level of Carriage	Logo	Nicktoons	TeenNick	Nick Music	Tr3s	MTVU	MTV Classic	CMT Music	BET Jams	BET Soul	BET Her	BET Gospel
Level 100	\$0.385	\$0.205	\$0.205	\$0.205	\$0.205	-	\$0.205	\$0.205	\$0.205	-	\$0.182	-
Level 200	\$0.797	\$0.459	\$0.459	\$0.459	\$0.459	-	\$0.459	\$0.459	\$0.459	-	\$0.408	-

(Suite Services, further information see next page)

THIS DOCUMENT IS **CONFIDENTIAL** FOR INFORMATIONAL USE BY VIVICAST MEDIA, LLC MEMBERS ONLY AND THE FINAL INFORMATION IS PROVIDED IN MASTER AGREEMENT/AMENDMENTS BETWEEN VIVICAST AND PROGRAMMER A COPY OF WHICH WILL BE PROVIDED TO YOU. ANY DISTRIBUTION OF THIS DOCUMENT WITHOUT APPROVAL BY VIVICAST, IS STRICTLY PROHIBITED, EXCEPT INTERNALLY FOR PURPOSES OF RENEWING OR SIGNING THE AGREEMENTS.

In systems which carry LOGO, TeenNick, MTV Classic, Nick Music and Nicktoons on Level 100, the aggregate license fee will be discounted to \$0.970, increasing 5.25% per year. The license fee for the remaining Suite Services will be FREE through the term of the agreement.

In systems which carry LOGO, TeenNick, MTV Classic, Nick Music and Nicktoons on Level 200, the aggregate license fee will be discounted to \$2.213, increasing 5.25% per year. The license fee for the remaining Suite Services will be FREE through the term of the agreement.

License Fees for The Suite shall increase annually from 1/1/21 through the term by 5.25%.

1) "The Suite" is a package of thirteen program services consisting of the following: LOGO, Nicktoons, TeenNick, Nick Music, Tr3s, MTVU, MTV Classic, CMT Music, BET Jams, BET Soul, BET Her, BET Gospel, and Nick2, and the successor(s) thereto.

2) Nick2 is free if Nickelodeon is carried on Level 100.

3) The rate card assumes carriage on (i) both MTV and VH1 on Level 100 in each system carrying any of the following Suite Services: MTV Classic, mtvU, Nick Music, and/or Tr3s, (ii) carriage of Nickelodeon on Level 100 in each system carrying any of the following Suite Services: Nicktoons, TeenNick and/or Nick2, (iii) carriage of CMT on Level 100 in each system carrying CMT Music, and (iv) carriage of BET on Level 100 in each system carrying BET Jams, BET Soul, BET Her, and/or BET Gospel.

4) All License Fees are applied on a system-by-system basis.

Additional Rights:

- VOD Available
- TVE Available
- SOLB, IHS, Remote DVR Available
- Retention Tier

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**VIVICAST MEDIA, LLC (“VIVICAST”) WITH VIACOM MEDIA NETWORKS, A
DIVISION OF VIACOM INTERNATIONAL INC. (“VMN”), ON ITS OWN BEHALF
AND ON BEHALF OF BLACK ENTERTAINMENT TELEVISION, LLC (“BET LLC”,
AND TOGETHER WITH VMN, “NETWORK”), BINDING PARTICIPATING
MEMBER LETTER OF AGREEMENT AND COMMITMENT FOR THE RENEWAL
OF THE CABLE & IPTV CABLE AFFILIATION AGREEMENT BY WAY OF
AMENDMENT (COLLECTIVELY THE “RENEWAL”)**

This binding Renewal letter (the “Letter”) confirms that the undersigned member of VIVICAST (a “Participating Member”) agrees that it has endorsed and affirms that it will abide by all of the terms and conditions of the Cable & IPTV Cable Affiliation Agreement, by and between Network and VIVICAST as endorsed by Participating Member (each a “Party” and collectively, the “Parties”), dated December 2, 2019, as amended by the following amendments and letter agreements between the Parties: (i) that certain Amendment, dated February 27, 2013; (ii) that certain Amendment, dated September 26, 2014, and (iii) that certain TV Everywhere Letter Agreement, dated March 1, 2014 (as amended, collectively, the “Affiliation Agreement”) and, (iv) that certain Third Amendment to Cable & IPTV Cable Affiliation Agreement, dated December 21, 2015, (v) that certain Start Over & Look Back Letter Agreement dated May 19, 2016 (vi) that certain Down Conversion Right Letter Agreement, dated June 16, 2016 and (vii) that certain Amendment to Cable & IPTV Cable Affiliation Agreement dated December 2, 2020 (collectively, the “Affiliation Agreement”).

Participating Member agrees that by this Letter it has been provided with a full and complete copy of the documents cited above and accepts all terms and conditions including as amended for the distribution of Network services.

Vivicast is required to notify Network of the contract intentions of all new and current Affiliates by December 31, 2015. If current Members who already provide Viacom Media Networks do not respond to or return this Letter to Vivicast by facsimile, email scan, certified U.S. postal mail or other traceable delivery methods, such as Federal Express, by 5:00pm central daylight time on December 13, 2019, Member will be deemed by default to have accepted the Renewal and will abide by all of terms and conditions of the Renewal. If member elects to discontinue its carriage of Hallmark Channel(s) it must do so in writing delivered to Vivicast by one of the same methods prescribed above by 5:00pm central daylight time on December 13, 2019, for notification to Network and any authorized transport service provider to discontinue signal authorization and delivery of Network to Member.

IN WITNESS WHEREOF, each of the parties hereto has duly executed and delivered this Letter as of the date indicated below.

(Member Company Name Printed)

Vivicast Media, LLC

(Authorized Signature)

(Authorized Signature)

(Name Printed)

(Name Printed)

(Signatory Title)

(Signatory Title)

(Date)

(Date)



To: Mark Latham, City Manager
From: Angela Imming, Director, Technology and Innovation
Date: Jan. 7, 2020
Subject: Viacom Renewal

Recommendation:

I recommend HCS renew the contract with NTTC and Viacom to allow HCS to carry following programming:

- Core programming
 - MTV
 - Nickelodeon
- Sub programming
 - Nicktoons
 - TeenNick
 - NickMusic
 - TR3s
 - MTV Live
 - MTV Classic
 - CMT
 - BET Live
 - BET Jams
 - BET Her

Discussion:

MTV and Nickelodeon are programs inherently carried in cable TV lineups and it is incumbent on HCS to provide them. HCS is required to carry sub-programming with the contract of the core programming.

Financial Impact:

Through negotiations, HCS will receive an 18% decrease in core programming. With a 26% increase in the sub-programming, we will have a net reduction in cost of approximately \$15k year one and approximately \$10,300 year two.

RESOLUTION NO. _____

**RESOLUTION APPROVING CHANGE ORDER NUMBER THREE
SUBMITTED BY PLOCHER CONSTRUCTION COMPANY, INC.
FOR WATER RECLAMATION FACILITY IMPROVEMENTS
PURSUANT TO CONTRACT NUMBER PW-06-17**

WHEREAS, the City of Highland, Madison County, Illinois (“City”), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 *et seq.* of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, City awarded contract number PW-06-17 to Plocher Construction Company, Inc. (“Plocher”) for Water Reclamation Facility Improvements; and

WHEREAS, the original contract price for contract number PW-06-17 for Water Reclamation Facility Improvements was \$10,940,600.00 (*See* Change Order No. 003 attached hereto as **Exhibit A**); and

WHEREAS, by way of change order number one (1) to contract number PW-06-17, the original contract price was decreased \$1,464,780.79, bringing the total contract price to \$9,475,819.21 for Water Reclamation Facility Improvements (*See* **Exhibit A**); and

WHEREAS, City has determined the original location of an electric transformer for a new building at the Water Reclamation Facility needs to be relocated; and

WHEREAS, City has determined the original location of the electric transformer in question is too close to underground and overhead utilities; and

WHEREAS, City has determined the transformer should be moved to accommodate the existing and proposed underground and overhead utilities, and to facilitate ease of access to the transformer for maintenance in the future; and

WHEREAS, Plocher has submitted Change Order No. 003, in the amount of \$34,463.54, for time and materials needed to move the transformer in question (*See* **Exhibit A**); and

WHEREAS, City has determined it is in the best interests of public health, safety, general welfare and economic welfare to approve Change Order Number Three (3) (**Exhibit A**) submitted by Plocher for Water Reclamation Facility Improvements pursuant to contract number PW-06-17; and

WHEREAS, City Council finds that the Mayor and/or City Manager should be authorized and directed, on behalf of City, to sign Plocher’s Change Order Number Three (3).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND, MADISON COUNTY, ILLINOIS:

Section 1. The foregoing recitals are incorporated herein as express findings of fact and legislative intent of the City Council of the City of Highland, Illinois.

Section 2. City has determined it is in the best interests of public health, safety, general welfare and economic welfare to approve Change Order Number Three (3) (**Exhibit A**) submitted by Plocher for Water Reclamation Facility Improvements pursuant to contract number PW-06-17; and

Section 3. City Council finds that the Mayor and/or City Manager should be authorized and directed, on behalf of City, to sign Plocher's Change Order Number Three (3).

Section 4. This Resolution will be in full force and effect upon its passage and approval in accordance with the law

Passed by the City Council of the City of Highland, Illinois, and deposited and filed in the office of the City Clerk on the ____ day of _____, 2020, the roll call vote being taken by ayes and noes and entered upon the legislative record as follows:

AYES:

NOES:

ABSENT:

APPROVED:

Joseph R. Michaelis, Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm, City Clerk
City of Highland
Madison County, Illinois

CONTRACTING DOCUMENTS
Document 00941 – Change Order

Change Order No. 003

Date of Issuance: 1/3/2020	Effective Date: 1/3/2020
Owner: City of Highland, Illinois	Owner's Contract No.: N/A
Contractor: Plocher Construction Company, Inc.	Contractor's Project No.: 3812
Engineer: Crawford, Murphy & Tilly, Inc.	Engineer's Project No.: 17040110.00
Project: Water Reclamation Facility Improvements	Contract Name: N/A

The Contract is modified as follows upon execution of this Change Order:

Description: Installation of Transformer at location shown in RFI #014

Attachments: Change Order Proposal (COP) 005R2 (1 page), RFI #014 Response (2 pgs), , COP 005R1 (1 pg) & COP 005 (4 pgs)

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>10,940,600.00</u>	Original Contract Times: Substantial Completion: <u>450</u> Ready for Final Payment: <u>540</u> days or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>001</u> to No. <u>002</u> : \$ <u>1,441,526.76</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>001</u> to No. <u>002</u> : Substantial Completion: <u>0</u> Ready for Final Payment: <u>0</u> days
Contract Price prior to this Change Order: \$ <u>9,499,073.24</u>	Contract Times prior to this Change Order: Substantial Completion: <u>450</u> Ready for Final Payment: <u>540</u> days or dates
[Increase] [Decrease] of this Change Order: \$ <u>34,463.54</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>0</u> Ready for Final Payment: <u>0</u> days or dates
Contract Price incorporating this Change Order: \$ <u>9,533,536.78</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>450</u> Ready for Final Payment: <u>540</u> days or dates

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: <u>Adrienne P. Eilers</u>	By: _____	By: <u>Scott Plocher</u>
Engineer (if required)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Title: <u>Project Manager</u>	Title: _____	Title: <u>President</u>
Date: <u>1/3/2020</u>	Date: _____	Date: <u>01/07/2020</u>

Approved by Funding Agency (if applicable)

By: _____ Date: _____
Title: _____



Change Order Proposal 005 R2

**2808 Thole-Plocher Road
Highland, IL 62249**

Ph: (618) 654-9408/Fax: (618)654-6454

TO: City of Highland
c/o Crawford, Murphy & Tilly
12916 Iberg Road
Highland, IL 62249

DATE: 12/31/2019

RE: Transformer Location
Highland WRF Improvements

Item	DESCRIPTION	Quantity	Rate	Subtotal	
1	Transformer Location Credit				
	Laborer	14.50	\$83.42	\$1,209.59	
	Trackhoe	20.00	\$154.00	\$3,080.00	
	Spoils Clean-up	5.00	\$154.00	\$770.00	
					\$5,059.59
	Rock	18.00	\$16.50	\$297.00	
	Concrete Material	18.00	\$92.00	\$1,656.00	
	Concrete Material Red Color	18.00	\$21.00	\$378.00	
	Rebar Material	0.50	\$1,850.00	\$925.00	
	Supplier Mark-up (15%)			\$488.40	
					\$3,744.40
	Schneider Original Proposal			\$ 43,624.94	
	Schneider Credit			\$ (19,187.27)	
	Subcontractor Mark-up (5%)			\$1,221.88	
					\$ 25,659.55
					Grand Total \$ 34,463.54



REQUEST FOR INFORMATION

RFI NO.: 014

Project Name: Highland WRF Improvements

Date Submitted: 10/24/2019

Directed To: Crawford, Murphy & Tilly – Adrienne Eilers

Initiated By: Plocher/Schneider

Description: Transformer Location

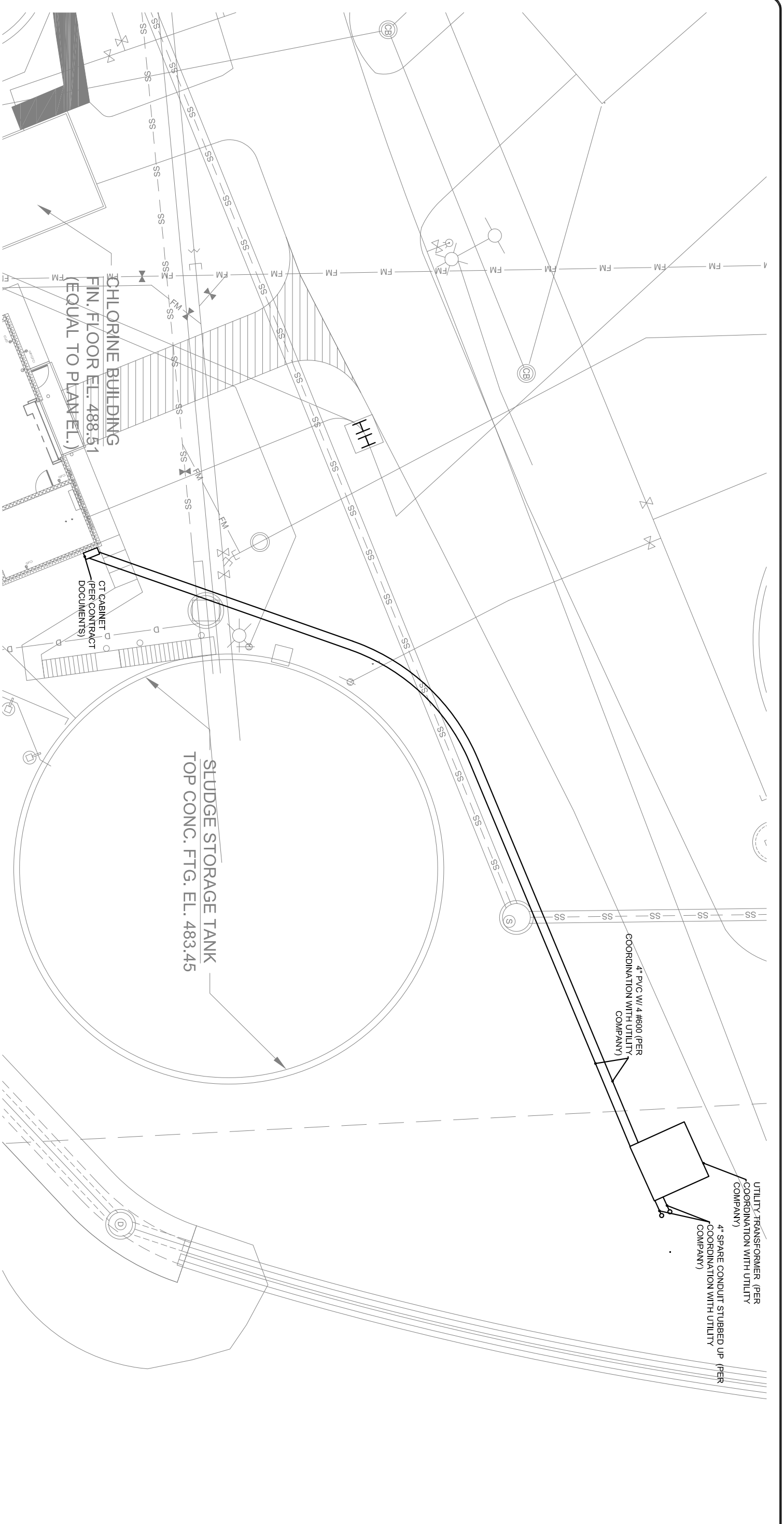
Bill Franke with the City of Highland Light & Power Department has directed us to place the transformer in the location shown on the enclosed sketch. Note, there will be a cost impact associated with relocating the transformer.

Please confirm if this location is acceptable.

Reply Date: 12/31/2019

Reply: The location as shown is acceptable. Please submit a change order proposal for the cost to relocate the transformer .

PLEASE REVIEW AND RESPOND WITHIN 4 WORKING DAYS



UTILITY COORDINATION

SCALE: 1" = 200'

SHEET REVISIONS	
1	
2	
3	
4	
5	

NEW UTILITY UNDERGROUND CONDUIT		DATE: 10/16/19
1661 JODY INDUSTRIAL CT ST. LOUIS, MO 63132		SCALE: 1"=200'
MISSOURI ILLINOIS	DRAWN BY: NMS	ENG. BY: JTH
	ENG. BY: N/A	
SEC-0.1		



Change Order Proposal 005 R1

**2808 Thole-Plocher Road
Highland, IL 62249**

Ph: (618) 654-9408/Fax: (618)654-6454

TO: City of Highland
c/o Crawford, Murphy & Tilly
12916 Iberg Road
Highland, IL 62249

DATE: 12/19/2019

RE: Transformer Location - Option 2 Pricing
Highland WRF Improvements

Item	DESCRIPTION	Quantity	Rate	Subtotal	
1	Transformer Location Credit				
	Tandem	1.00	\$ 98.45	\$ 98.45	
	Trackhoe	2.00	\$ 154.00	\$ 308.00	
	Laborer	4.00	\$ 83.42	\$ 333.68	
	Compactor	1.00	\$ 90.00	\$ 90.00	
	Carpenter Foreman	1.00	\$ 87.47	\$ 87.47	
					\$ 917.60
2	Schneider Electric Breakdown:				
		Material	Labor	Subtotal	
	4" Conduit - PVC 40	\$ 169.32	\$ 549.22	\$ 718.54	
	4" Elbow 90 Degree - PVC 40	\$ 190.92	\$ 588.45	\$ 779.37	
	4" Elbow 90 Degree - WS GRC	\$ 249.62	\$ 513.13	\$ 762.75	
	4" Coupling - PVC	\$ 47.44	\$ 1.00	\$ 48.44	
	4" Adapter Male - PVC	\$ 70.68	\$ 502.14	\$ 572.82	
	4" Conduit - RMC - Galv PVC CTD	\$ 1,299.64	\$ 147.50	\$ 1,447.14	
	4" Elbow 90 Degree - Galv PVC CTD	\$ 1,977.84	\$ 2,033.68	\$ 4,011.52	
	#600 THHN Black - Slick Jacket	\$ 3,032.96	\$ 1,084.63	\$ 4,117.59	
	4" PVC Cap	\$ 15.62	\$ 94.15	\$ 109.77	
	#600 Termination	\$ 165.84	\$ 1,176.90	\$ 1,342.74	
	Care GND	\$ 341.45	\$ 125.54	\$ 466.99	
	Ground Rod	\$ 111.64	\$ 470.76	\$ 582.40	
	Cadweld	\$ 154.08	\$ 627.68	\$ 781.76	
	#600 Wire Power Term	\$ 64.00	\$ 878.75	\$ 942.75	
					\$ 16,684.58
Grand Total				\$	17,602.18



Change Order Proposal 005

**2808 Thole-Plocher Road
Highland, IL 62249**

Ph: (618) 654-9408/Fax: (618)654-6454

TO: City of Highland
c/o Crawford, Murphy & Tilly
12916 Iberg Road
Highland, IL 62249

DATE: 11/6/2019

RE: Transformer Location
Highland WRF Improvements

Item	DESCRIPTION	Quantity	Rate	Subtotal	
1	Transformer Location				
	Laborer - Ductbank Excavation	5.00	\$83.42	\$417.10	
	Trackhoe - Ductbank Excavation	5.00	\$154.00	\$770.00	
	Laborer - Backfill Ductbank	4.50	\$83.42	\$375.39	
	Trackhoe - Backfill Ductbank	4.50	\$154.00	\$693.00	
	Spoils Clean-up	5.00	\$154.00	\$770.00	
	Laborer - Place Concrete Ductbank	10.50	\$83.42	\$875.91	
	Laborer - Tending Ductbank	13.50	\$154.00	\$2,079.00	
					\$5,980.40
	Rock	18.00	\$16.50	\$297.00	
	Concrete Material	18.00	\$92.00	\$1,656.00	
	Concrete Material Red Color	18.00	\$21.00	\$378.00	
	Rebar Material	0.50	\$1,850.00	\$925.00	
	Supplier Mark-up (15%)			\$488.40	
					\$3,744.40
	Schneider Electric			\$43,264.94	
	Subcontractor Mark-up (5%)			\$2,163.25	
					\$45,428.19

Grand Total \$55,152.99

HIGHLAND WWTP

Field Order No. 2

Date: 10/31/2019



Grand Total

\$43,624.94

Total Cost of Description of Work Below:		\$ 21,299.44	\$ 15,833.35
Sales Tax:	0.00%	\$ -	
Overhead:	10%	\$ 2,129.94	\$ 1,583.34
Profit:	5%	\$ 1,171.47	\$ 870.83

Total Hours: 147.00

Labor Breakdown

F: \$ 84.52

JW: \$ 78.46

Supervision / Coordination	7.35	\$ 621.23
3% + Material for Tools and Misc Material	638.98	
1% + Labor for Safety Related	1.47	\$ 115.34

Drawing	Description of Work	Qty	Ft (NA=1)	Mat. Price	Unit	Lbr	Unit	Material Ext.	Lbr Ext.	Labor Cost
	4" CONDUIT - PVC40	2	190	338.63	C	14	C	\$ 1,286.79	0.28	\$ 4,174.07
	4" ELBOW 90 DEG - PVC40	6	1	31.82	E	125	C	\$ 190.92	7.50	\$ 588.45
	4" ELBOW 90 DEG - WS GRC	2	1	124.81	E	327	C	\$ 249.62	6.54	\$ 513.13
	4" COUPLING - PVC	8	1	593	C	0.16	C	\$ 47.44	0.01	\$ 1.00
	4" ADAPTER MALE - PVC	8	1	883.5	C	80	C	\$ 70.68	6.40	\$ 502.14
	4" CONDUIT - RMC - GALV PVC CTD	4	2	324.91	E	47	C	\$ 2,599.28	1.88	\$ 295.01
	4" ELBOW 90 DEG - RMC - GALV PVC CTD	4	1	247.23	E	324	C	\$ 988.92	12.96	\$ 1,016.84
	#600 THHN BLACK - SLICK JACKET	1,584	1	9,478.00	M	43.2	M	\$ 15,013.15	68.43	\$ 5,368.92
	4" PVC CAP	2	1	7.81	E	0.6	E	\$ 15.62	1.20	\$ 94.15
	#600 TERMINATION	12	1	13.82	E	1.25	E	\$ 165.84	15.00	\$ 1,176.90
	BARE GND	50	1	6,829.00	M	32	M	\$ 341.45	1.60	\$ 125.54
	GROUND ROD	4	1	27.91	E	1.5	E	\$ 111.64	6.00	\$ 470.76
	CADWELD	8	1	19.26	E	1	E	\$ 154.08	8.00	\$ 627.68
	#600 WIRE POWER TERM	16	1	4	E	1.3	E	\$ 64.00	11.20	\$ 878.75



REQUEST FOR INFORMATION

RFI NO.: 014

Project Name: Highland WRF Improvements

Date Submitted: 10/24/2019

Directed To: Crawford, Murphy & Tilly – Adrienne Eilers

Initiated By: Plocher/Schneider

Description: Transformer Location

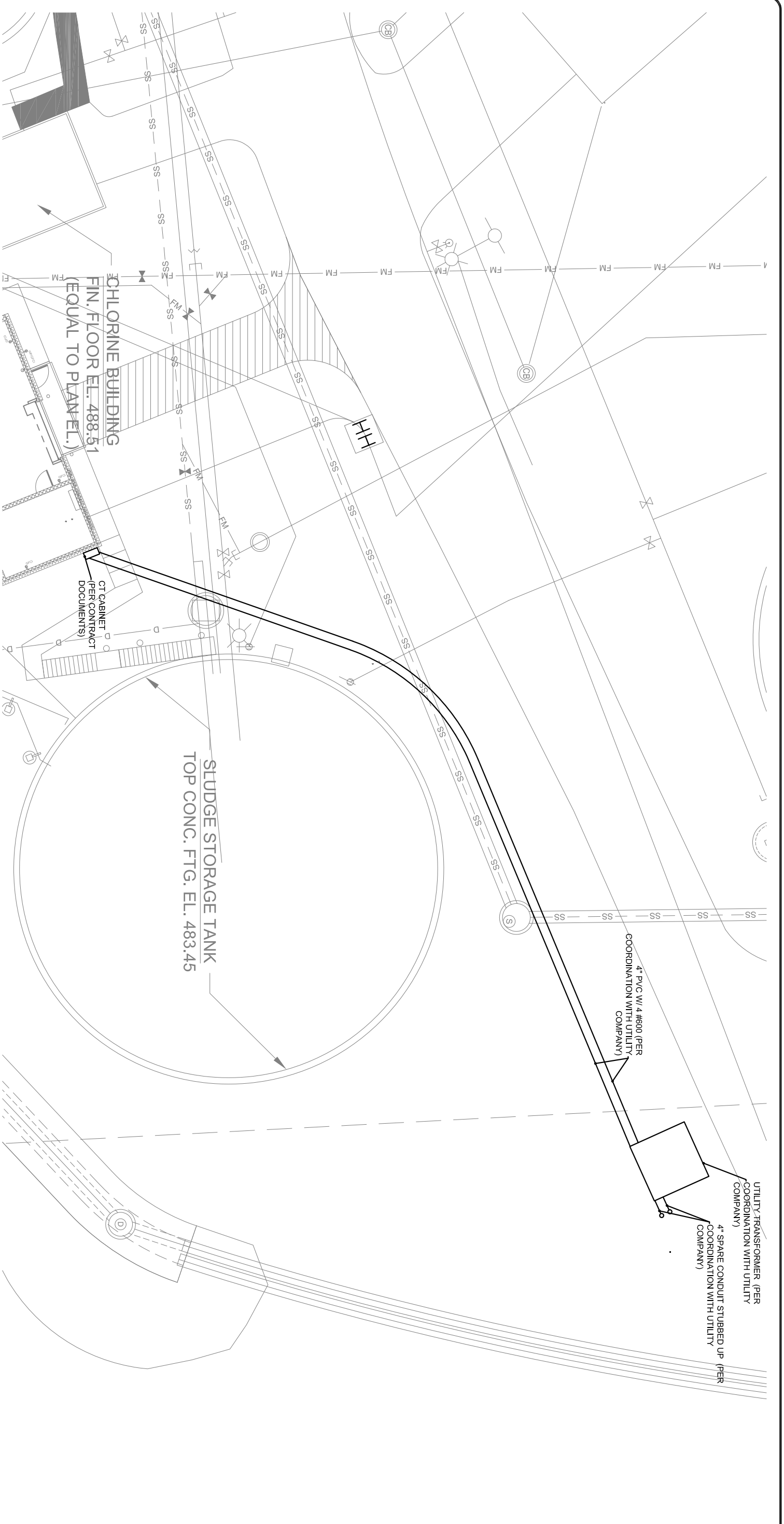
Bill Franke with the City of Highland Light & Power Department has directed us to place the transformer in the location shown on the enclosed sketch. Note, there will be a cost impact associated with relocating the transformer.

Please confirm if this location is acceptable.

Reply Date: XX/XX/XX

Reply:

PLEASE REVIEW AND RESPOND WITHIN 4 WORKING DAYS

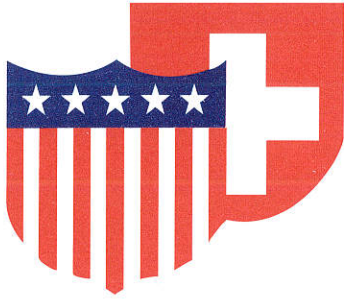


UTILITY COORDINATION

SCALE: 1" = 200'

SHEET REVISIONS	
1	
2	
3	
4	
5	

NEW UTILITY UNDERGROUND CONDUIT		DATE: 10/16/19
1661 JODY INDUSTRIAL CT ST. LOUIS, MO 63132		SCALE: 1"=200'
MISSOURI ILLINOIS	DRAWN BY: NMS	ENG. BY: JTH
DRAWINGS #		SEC-0.1



City of Highland

MEMO TO: Mark Latham, City Manager
FROM: Joe Gillespie, Director of Public Works
DATE: January 13, 2020
SUBJECT: Water Reclamation Facility Improvements, PW-06-17
Recommendation for Approval of Change Order #3

RECOMMENDATION

I recommend that you request council approval to approve Change Order #3 for the above referenced project to increase the contract amount by \$34,463.54.

DISCUSSION

City Electric Department staff have been working with members of Plocher Construction to locate a new transformer for a new building at the plant. There was a conglomeration of underground utilities discovered near the intended location of the transformer. It is in the best interest of the plant and future maintenance of the transformer to locate it away from these utilities. Therefore, additional costs are involved with the change.

FISCAL IMPACT


This project will utilize sewer funds in FY 2020.

CONCURRENCE

Recommended by: _____


Joe Gillespie, Director of Public Works

Approved by: _____


Mark Latham, City Manager

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING AND DIRECTING APPLICATION TO THE
2020 SURFACE TRANSPORTATION BLOCK GRANT PROGRAM (STP)
FOR THE PURPOSE OF RECONSTRUCTING SIXTH STREET
FROM OLIVE STREET TO POPLAR STREET (PHASE 3)**

WHEREAS, the City of Highland, Madison County, Illinois (hereinafter "City"), is a non-home rule municipality duly established, existing and operating in accordance with the provisions of the Illinois Municipal Code (Section 5/1-1-1 et seq. of Chapter 65 of the Illinois Compiled Statutes); and

WHEREAS, the City proposes to apply for assistance from the Surface Transportation Block Grant Program (STP) for the purpose of reconstructing Sixth Street from Olive Street to Poplar Street; and

WHEREAS, the proposed improvement will consist of pavement removal, new concrete pavement, replacing non-compliant ADA sidewalks and curb ramps, replacing curb and gutters, and all other miscellaneous work associated with roadway reconstruction; and

WHEREAS, the proposed improvements will reduce future maintenance on the roadway, resolve current settlement issues, and enhance accommodations for all to navigate this critical east – west route; and

WHEREAS, the City has available funds to finance the activity until reimbursed by STP, and the financial capability to operate, maintain, and manage the completed project in a safe manner for public use; and

WHEREAS, the City has determined it to be in the best interest of the public health, safety, general welfare and economic welfare to reconstruct Sixth Street from Olive Street to Poplar Street; and

WHEREAS, the City has determined City Manager should be authorized and directed to execute any contracts or requisite documents required to apply to STP for funding to reimburse City for reconstructing Sixth Street from Olive Street to Poplar Street; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Highland as follows:

Section 1. The foregoing recitals are incorporated herein as findings of the City Council of the City of Highland, Illinois.

Section 2. the City shall apply to the STP for financial assistance for the purposes of reconstructing Sixth Street from Olive Street to Poplar Street including pavement removal, new concrete pavement, replacing non-compliant ADA sidewalks and curb ramps, replacing curb and gutters, and all other miscellaneous work.

Section 3. This Resolution shall be known as Resolution No. _____ and shall be effective upon its passage and approval in accordance with law.

Passed by the City Council of the City of Highland, Illinois, and deposited and filed in the Office of the City Clerk, on the _____ day of _____, the vote being taken by ayes and noes, and entered upon the legislative records, as follows:

AYES:

NOES:

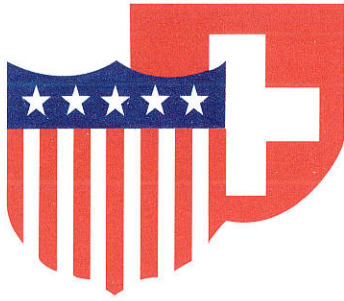
ABSENT:

APPROVED:

Joseph R. Michaelis
Mayor
City of Highland
Madison County, Illinois

ATTEST:

Barbara Bellm
City Clerk
City of Highland
Madison County, Illinois



City of Highland

MEMO TO: Mark Latham, City Manager
FROM: Joe Gillespie, Director of Public Works
DATE: January 13, 2020
SUBJECT: 6th Street Reconstruction Phase 2 (Olive to Poplar)
Recommendation for Resolution Approval

RECOMMENDATION

I recommend that you request council approval for a resolution to authorize and direct an application for the 2020 Surface Transportation Program (STP) for the above referenced project.

DISCUSSION

The attached resolution is part of the application for funding. We have broken the project into two phases to increase our chances of funding the entire project. Oates Associates was successful in helping us secure phase 1 funding and I have hired them to submit the application for phase 2. It is important that we receive funding for phase 2 to correct settlement issues, ADA curb ramps, and curbing deficiencies for the entire length of the project from Pine Street to Poplar Street.

We received approval of STP funds (available in FY2023) last year for phase 1 of the 6th Street Reconstruction project. Phase 1 extends from Pine Street to Olive Street. The total cost of Phase 1 is \$730,000 with the federal share of \$511,000. Phase 2 is from Olive Street to Poplar Street and we are working on construction costs at this time. We believe the costs are similar for both phases.

FISCAL IMPACT

This project will utilize Non Home Rule Sales Tax funds in future budgets cycles.

CONCURRENCE

Recommended by: _____


Joe Gillespie, Director of Public Works

Approved by: _____



Mark Latham, City Manager



City of Highland

MEMO TO: Mark Latham, City Manager

FROM: Jeff Voss, Resident Engineer for
Joe Gillespie, Director of Public Works

DATE: January 15, 2020

SUBJECT: Purchase One New 1-Ton Truck for Street and Alley, PW-22-19
Recommendation for Award

RECOMMENDATION

I recommend that you request Council approval to award the purchase of a 2020 Ford F-550 Regular Cab 4 X 4 1-ton truck from Tri Ford Inc. in Highland for \$47,464.00.

DISCUSSION

We opened bids on January 14, 2020. The attached tabulation of bids details the results. The truck meets the requirements of the bidding documents and Tri Ford Inc. is the lowest responsible bidder. Upon reviewing the bids it was revealed that Tri Ford Inc. had included dual fuel tanks in the bid package. This exceeded the requirements requested and Clint Conrad asked them to provide an amended price for a single fuel tank. The above recommendation reflects the amended price.

FISCAL IMPACT


This purchase is budgeted in the Street and Alley budget FY2020.

CONCURRENCE

Recommended by: _____


Jeffrey P. Voss, Resident Engineer

Approved by: _____


Mark Latham, City Manager

CITY OF HIGHLAND-----BID TABULATION-----DEPARTMENT OF PUBLIC WORKS

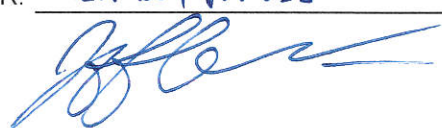
BID OPENING

PLACE: City Hall
 TIME: 10:00am
 DATE: 1/14/2020

PROJECT # / DESCRIPTION:
 Purchase One New 1-Ton Truck for Street and Alley, PW-22-19

Bidders		Bid Security	Make/Model	Total Price		
TRI FORD (HIGHLAND, IL)	N/A	2020 FORD F550 REG CAB 4X4	\$48,003.00			
CASSENS (GREEN CARBON, IL)	N/A	2020 RAM 5500	\$48,073.00			
BOB RIDINGS Inc. (MAYWOOD, IL)	N/A	2020 FORD F-550 REG CAB 4X4	\$48,495.00			

BID OPENER: Clint R Conral


BID RECORDER: JEFFREY P. VOSS


CITY OF HIGHLAND

EOM WARRANT # 1153

December 31, 2019

001	General Fund	\$	-
011	TIF#2 Debt Repayment Fund	\$	-
007	Community Development	\$	-
008	Motor Fuel Tax Fund	\$	-
009	Parks & Recreation Fund	\$	-
050	Street Bond	\$	-
101	Electric Fund	\$	672,371.36
006	TIF #1	\$	-
111	Fiber To The Premise Fund	\$	-
207	Water Depr/Equip Repl	\$	-
201	Water Fund	\$	-
301	Sewer Fund	\$	31,763.00
401	Ambulance Fund	\$	-
713	Solid Waste Fund	\$	-
706	Liability Insurance	\$	-
705	Audit Fund	\$	-
802	Payroll Account	\$	37,009.13
	TOTAL WARRANT	\$	741,143.49

CITY CLERK
December 31, 2019

MAYOR

Accounts Payable

Computer Check Proof List by Vendor

User: rdixon
 Printed: 12/23/2019 - 2:39PM
 Batch: 00014.12.2019

Invoice No	Description	Amount	Payment Date	Acct Number
Vendor: 4719	KRC Administration			Check Sequence: 1
	PR Batch 00004.12.2019 KRC Membership	174.68	12/23/2019	802-000-1-216-25
	PR Batch 00004.12.2019 Rec Ctr Taxable Fringe Deduct	4,453.50	12/23/2019	802-000-1-216-25
	Check Total:	4,628.18		
Vendor: 4513	Russell C Simon			Check Sequence: 2
	PR Batch 00004.12.2019 Withholding order Russell Simo	134.00	12/23/2019	802-000-1-216-20
	Check Total:	134.00		
Vendor: 3077	State Disbursement Unit			Check Sequence: 3
	PR Batch 00004.12.2019 Child Support State Disb Unit	712.30	12/23/2019	802-000-1-216-20
	Check Total:	712.30		
Vendor: 2954	Vantagepoint Trans Agts-301638			Check Sequence: 4
	PR Batch 00004.12.2019 ICMA	1,446.00	12/23/2019	802-000-1-215-03
	Check Total:	1,446.00		
Vendor: 754 INV12172019	McGinley Inc			Check Sequence: 1
	NEW 2020 RAM 1500 TRADE- VIN# 1C6SRFGT6LN232201	31,763.00	12/17/2019	301-304-5-530-00
	Check Total:	31,763.00		
Vendor: 1603	AFLAC			Check Sequence: 1
	PR Batch 00003.12.2019 AFLAC Critical Illness	37.15	12/10/2019	802-000-1-216-05
	PR Batch 00003.12.2019 AFLAC Accident Ins	200.04	12/10/2019	802-000-1-216-05
	PR Batch 00003.12.2019 AFLAC Hospital	61.88	12/10/2019	802-000-1-216-05
	PR Batch 00004.12.2019 AFLAC Critical Illness	37.15	12/23/2019	802-000-1-216-05
	PR Batch 00004.12.2019 AFLAC Accident Ins	200.04	12/23/2019	802-000-1-216-05
	PR Batch 00004.12.2019 AFLAC Hospital	61.88	12/23/2019	802-000-1-216-05
	Check Total:	598.14		
Vendor: 3040	AFLAC			Check Sequence: 2
	PR Batch 00003.12.2019 AFLAC Short Term Disability	306.44	12/10/2019	802-000-1-216-05
	ADJUSTMENT	-0.02	12/31/2019	802-000-1-216-05
	PR Batch 00004.12.2019 AFLAC Short Term Disability	306.44	12/23/2019	802-000-1-216-05
	Check Total:	612.86		
Vendor: 5558	BUSEY BANK			Check Sequence: 3
	PR Batch 00003.12.2019 Pol Pension	6,146.94	12/10/2019	802-000-1-215-02
	PR Batch 00004.12.2019 Pol Pension	6,150.94	12/23/2019	802-000-1-215-02
	Check Total:	12,297.88		
Vendor: 5610	Guardian			Check Sequence: 4
	ADJUSTMENT	-3.53	12/31/2019	802-000-1-216-01
	PR Batch 00003.12.2019 Guardian Life Ins Benefit	240.12	12/10/2019	802-000-1-216-01
	ADJUSTMENT	135.45	12/31/2019	802-000-1-216-01
	ADJUSTMENT	912.22	12/31/2019	802-000-1-216-01
	PR Batch 00003.12.2019 Guardian Voluntary Life/AD&D	964.73	12/10/2019	802-000-1-216-01
	PR Batch 00003.12.2019 Guardian Voluntary Vision	404.38	12/10/2019	802-000-1-216-01
	PR Batch 00003.12.2019 Guardian Dental Premium	1,102.16	12/10/2019	802-000-1-216-01
	PR Batch 00003.12.2019 Guardian Dental Benefit	2,088.06	12/10/2019	802-000-1-216-01
	ADJUSTMENT	0.04	12/31/2019	802-000-1-216-05
	PR Batch 00004.12.2019 Guardian Dental Benefit	2,059.56	12/23/2019	802-000-1-216-01
	PR Batch 00004.12.2019 Guardian Dental Premium	1,054.20	12/23/2019	802-000-1-216-01
	PR Batch 00004.12.2019 Guardian Voluntary Vision	394.54	12/23/2019	802-000-1-216-01
	ADJUSTMENT	98.48	12/31/2019	802-000-1-216-01
	PR Batch 00004.12.2019 Guardian Voluntary Life/AD&D	980.94	12/23/2019	802-000-1-216-01
	PR Batch 00004.12.2019 Guardian Life Ins Benefit	235.89	12/23/2019	802-000-1-216-01
	Check Total:	10,667.24		
Vendor: 4021	Highland Area Community Foundation			Check Sequence: 5
	PR Batch 00004.12.2019 Highland Employee Foundation	116.67	12/23/2019	802-000-1-216-42
	PR Batch 00003.12.2019 Highland Employee Foundation	116.67	12/10/2019	802-000-1-216-42
	Check Total:	233.34		

Vendor: 2958	I U O E Local 399			Check Sequence: 6
	PR Batch 00004.12.2019 IUOE Dues	717.97	12/23/2019	802-000-1-216-40
	PR Batch 00003.12.2019 IUOE Dues	717.97	12/10/2019	802-000-1-216-40
	Check Total:	1,435.94		
Vendor: 3901	IAFF Local 3672			Check Sequence: 7
	PR Batch 00004.12.2019 IAFF Dues	392.00	12/23/2019	802-000-1-216-42
	PR Batch 00003.12.2019 IAFF Dues	420.00	12/10/2019	802-000-1-216-42
	Check Total:	812.00		
Vendor: 3625	IL Fraternal Order Of Police			Check Sequence: 8
	PR Batch 00004.12.2019 FOP Dues	624.00	12/23/2019	802-000-1-216-41
	PR Batch 00003.12.2019 FOP Dues	624.00	12/10/2019	802-000-1-216-41
	Check Total:	1,248.00		
Vendor: 3913	SW IL IBEW NECA Svc. Center			Check Sequence: 9
	PR Batch 00004.12.2019 IBEW Basic S	574.75	12/23/2019	802-000-1-216-43
	PR Batch 00004.12.2019 IBEW Dues %	800.38	12/23/2019	802-000-1-216-43
	PR Batch 00003.12.2019 IBEW Dues %	808.12	12/10/2019	802-000-1-216-43
	Check Total:	2,183.25		
Vendor: 1059	IMEA			Check Sequence: 1
NOVEMBER	NOVEMBER PURCHASE POWER	-1,102.59	12/19/2019	101-000-4-346-41
NOVEMBER	NOVEMBER PURCHASE POWER	-43,844.00	12/19/2019	101-000-4-346-42
NOVEMBER	NOVEMBER PURCHASE POWER	717,317.95	12/19/2019	101-102-5-390-20
	Check Total:	672,371.36		
	<u>GRAND TOTAL:</u>	<u>\$ 741,143.49</u>		

CITY OF HIGHLAND

WARRANT # 1154

January 21, 2020

001	General Fund	\$	86,289.30
053	2010 Street Bond and Interest	\$	-
007	Community Development	\$	42,804.65
008	Motor Fuel Tax Fund	\$	562.61
009	Parks & Recreation Fund	\$	41,502.25
050	Street Bond	\$	6,435.10
101	Electric Fund	\$	56,973.09
006	TIF#1	\$	-
111	Fiber To The Premise Fund	\$	33,883.48
010	TIF#2 Northside	\$	-
201	Water Fund	\$	55,823.68
301	Sewer Fund	\$	821,821.06
401	Ambulance Fund	\$	64,205.32
713	Solid Waste Fund	\$	217.80
706	Liability Insurance	\$	-
309	2013 Sewer Bond Construction	\$	-
802	Payroll Account	\$	<u>2,484.73</u>
	TOTAL WARRANT	\$	1,213,003.07

CITY CLERK
January 21, 2020

MAYOR

Accounts Payable

Computer Check Proof List by Vendor

User: rdixon
 Printed: 01/16/2020 - 3:59PM
 Batch: 00007.01.2020

Invoice No	Description	Amount	Payment Date	Acct Number
Vendor: 869	AAIM Employers' Association			Check Sequence: 1
00002533	VOLUNTARY CONTRIBUTION & ANNUAL MEMBERSHIP FOR 2/1/2020	2,035.00	01/22/2020	001-011-5-390-00
00003412	SECOND HALF OF COMPENSATION PROJECT	9,000.00	01/22/2020	001-011-5-390-00
	Check Total:	11,035.00		
Vendor: 193	ADR Inc			Check Sequence: 2
1-11420	POLICE TOW 19-9263 TOYOTA COROLLA	75.00	01/22/2020	001-012-5-390-00
190,788	Oxygen, Acetylene	25.81	01/22/2020	301-303-5-430-00
190,788	Oxygen, Acetylene	25.81	01/22/2020	201-203-5-430-00
	Check Total:	126.62		
Vendor: 2632	Airgas USA,LLC			Check Sequence: 3
9096470329	OXYGEN	140.75	01/22/2020	401-401-5-430-00
	Check Total:	140.75		
Vendor: 29	Albers Fire Prot. Equipment Inc.			Check Sequence: 4
27006	6- Inspect.-Tagged ABC Fire Ext.,4 -10# recharge,o-ring,test,	343.50	01/22/2020	201-202-5-390-00
	Check Total:	343.50		
Vendor: 772	Alberternst Const			Check Sequence: 5
B-19-190101	55 Tamarack - Single Family Home Incentive Payment -Existing Sub	4,000.00	01/22/2020	007-007-5-390-00
B-19-190101 I	55 Tamarack - Certificate of Coocupancy Deposit Refund	200.00	01/22/2020	001-013-5-390-83
B-19-190228	70 Crescent View Ln - Certificate of Occupancy Deposit Refund	175.00	01/22/2020	001-013-5-390-83
B-19-190228 I	70 Crescent View Ln-Single Family Home Incentive Payment-Exist S	4,000.00	01/22/2020	007-007-5-390-00
	Check Total:	8,375.00		
Vendor: 60	Altec Industries Inc			Check Sequence: 6
11316559	970747393 FR Jacket	374.42	01/22/2020	101-104-5-440-00
11317571	970666142 Buckfit Harness	339.31	01/22/2020	101-104-5-440-00
50469639	CRIMPER REPAIR	91.34	01/22/2020	101-104-5-360-00
50510612	CRIMPER REPAIR	389.74	01/22/2020	101-104-5-360-00
	Check Total:	1,194.81		
Vendor: 4674	Ameren Illinois			Check Sequence: 7
1477059009	LIGHTING AT 2679 VULLIET RD	129.05	01/22/2020	101-104-5-330-00
4742177616120	shed - utility gas	122.75	01/22/2020	009-016-5-330-00
7072262256120	KRC - utility gas	813.37	01/22/2020	009-009-5-330-00
	Check Total:	1,065.17		
Vendor: 3076	ANIXTER, INC.			Check Sequence: 8
4383082-00	75 KVA 1P Pad 13200GRDY/7620	11,870.00	01/22/2020	101-104-5-540-20
4467259-00	MU3624XL	80.00	01/22/2020	101-104-5-440-00
4467259-00	MU3624L	80.00	01/22/2020	101-104-5-440-00
	Check Total:	12,030.00		
Vendor: 3025	APEX PHYSICAL THERAPY			Check Sequence: 9
963	FIT TEST TO RETURN TO DUTY, K. MCCOY	150.00	01/22/2020	001-012-5-390-00
	Check Total:	150.00		
Vendor: 2058	Aramark Uniform Services			Check Sequence: 10
315652736	DECEMBER RUG SERVICE	35.05	01/22/2020	101-101-5-390-00
315652737	DECEMBER UNIFORM AND RUG SERVICE	35.15	01/22/2020	101-102-5-390-00
315652745	DECEMBER RUG SERVICE	25.50	01/22/2020	001-012-5-390-00
315677749	DECEMBER RUG SERVICE	5.75	01/22/2020	101-101-5-390-00
315677750	DECEMBER UNIFORM AND RUG SERVICE	30.01	01/22/2020	101-102-5-390-00
315677751	DECEMBER RUG SERVICE	38.97	01/22/2020	111-111-5-390-00
315677758	DECEMBER RUG SERVICE	46.50	01/22/2020	001-011-5-390-00
315702799	DECEMBER RUG SERVICE	35.05	01/22/2020	101-101-5-390-00
315702800	DECEMBER UNIFORM AND RUG SERVICE	40.97	01/22/2020	101-102-5-390-00
315702808	DECEMBER RUG SERVICE	25.50	01/22/2020	001-012-5-390-00
315727853	DECEMBER RUG SERVICE	5.75	01/22/2020	101-101-5-390-00
315727854	DECEMBER UNIFORM AND RUG SERVICE	32.89	01/22/2020	101-102-5-390-00
315727855	DECEMBER RUG SERVICE	38.97	01/22/2020	111-111-5-390-00
	Check Total:	396.06		

Vendor: 1046 500694280	ASCAP LICENSE FEE FOR 2020	363.26	01/22/2020	Check Sequence: 11 001-011-5-390-00
	Check Total:	363.26		
Vendor: 195 40470	Aviston Lumber Company 40BBQ	32.00	01/22/2020	Check Sequence: 12 101-104-5-420-00
	Check Total:	32.00		
Vendor: 237 01P10349.1 01S5569	Banner Fire Equipment Inc BALANCE DUE FROM INITIAL INVOICE- STORZ WRENCH SET W/BRKT MTN/REPAIRS TO AERIAL HYDRO- ELECTRICAL SWIVEL	17.00 312.58	01/22/2020 01/22/2020	Check Sequence: 13 001-014-5-430-00 001-014-5-360-10
	Check Total:	329.58		
Vendor: 1260 692468 692468 692468	Belleville News-Democrat PUBLIC NOTICE FOR PURCHASE OF NEW STREET & ALLEY TRUCK SILVER LAKE SHORELINE AND POINT RESTORATION ORDINANCE FOR SENIOR CENTER PROPERTY	201.28 100.64 2,273.28	01/22/2020 01/22/2020 01/22/2020	Check Sequence: 14 001-017-5-390-00 009-016-5-390-00 009-016-5-390-00
	Check Total:	2,575.20		
Vendor: 310 02140	Bluff Equipment Inc OIL	62.50	01/22/2020	Check Sequence: 15 009-715-5-460-00
	Check Total:	62.50		
Vendor: 20195 INV08152019	Boat Works MTN/REPAIRS TO MARINER 2STROKE UTILITY JON BOAT	367.85	01/22/2020	Check Sequence: 16 001-014-5-360-10
	Check Total:	367.85		
Vendor: 1291 83461089	Bound Tree Medical, LLC EMS SUPPLIES	959.41	01/22/2020	Check Sequence: 17 401-401-5-430-00
	Check Total:	959.41		
Vendor: 4861 59524	Bradford National Bank Street Sweeper Loan Pmt.	3,900.87	01/22/2020	Check Sequence: 18 001-017-5-530-00
	Check Total:	3,900.87		
Vendor: 353 71826	Brandt Muffler's FOR JEEP LIBERTY	110.00	01/22/2020	Check Sequence: 19 101-102-5-360-10
	Check Total:	110.00		
Vendor: 202 127744	Breese Journal & Publishing Company Gift cert ad	122.40	01/22/2020	Check Sequence: 20 009-009-5-390-33
	Check Total:	122.40		
Vendor: 360 G128562 G128567 G128718	Broadway Battery & Tire 2009 F150 4.2L truck tire maint repairs Patch in Tire- Truck # 64 TRUCK 34 TIRES	691.00 28.50 407.00	01/22/2020 01/22/2020 01/22/2020	Check Sequence: 21 009-016-5-360-10 001-017-5-360-10 101-102-5-360-10
	Check Total:	1,126.50		
Vendor: 10044 2096499	BUILDINGSTARS INC KRC cleaning service	1,852.00	01/22/2020	Check Sequence: 22 009-009-5-380-01
	Check Total:	1,852.00		
Vendor: 20620 1834	Capri Pools & Aquatics inline thermometer and shipping	171.75	01/22/2020	Check Sequence: 23 009-009-5-450-00
	Check Total:	171.75		
Vendor: 2000 07269685	Center For Education and Employment Law DESKBOOK ENCYCLOPEDIA OF PUBLIC EMP. LAW	254.95	01/22/2020	Check Sequence: 24 001-011-5-390-00
	Check Total:	254.95		
Vendor: 20832 803502	Circle K gas - Ryan Hummert truck	60.37	01/22/2020	Check Sequence: 25 009-016-5-420-00
	Check Total:	60.37		
Vendor: 457 DECEMBER 2019 DECEMBER 2019 DECEMBER 2019	City Of Highland DECEMBER CENTRAL PURCHASING DECEMBER CENTRAL PURCHASING DECEMBER CENTRAL PURCHASING	43.88 43.87 100.71	01/22/2020 01/22/2020 01/22/2020	Check Sequence: 26 201-203-5-430-00 301-303-5-430-00 001-017-5-430-00

DECEMBER 2019	DECEMBER CENTRAL PURCHASING	217.15	01/22/2020	001-012-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	57.81	01/22/2020	009-016-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	129.28	01/22/2020	009-715-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	42.15	01/22/2020	301-304-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	330.33	01/22/2020	001-011-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	80.47	01/22/2020	009-016-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	13.03	01/22/2020	001-017-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	43.36	01/22/2020	009-016-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	221.58	01/22/2020	101-101-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	73.16	01/22/2020	401-401-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	1,117.13	01/22/2020	009-009-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	19.95	01/22/2020	111-111-5-430-00
DECEMBER 2019	DECEMBER CENTRAL PURCHASING	707.07	01/22/2020	001-013-5-430-00
	Check Total:	3,240.93		
Vendor: 2527	Constellation NewEnergy Gas Division, LLC			Check Sequence: 27
2795887	GAS SERVICES	100.33	01/22/2020	009-016-5-330-00
2795887	GAS SERVICES	127.43	01/22/2020	201-202-5-330-00
2795887	GAS SERVICES	207.72	01/22/2020	201-201-5-330-00
2795887	GAS SERVICES	70.07	01/22/2020	111-111-5-330-00
2795887	GAS SERVICES	286.57	01/22/2020	001-017-5-330-00
2795887	GAS SERVICES	45.80	01/22/2020	001-012-5-330-00
2795887	GAS SERVICES	143.26	01/22/2020	001-014-5-330-00
2795887	GAS SERVICES	133.43	01/22/2020	001-014-5-330-00
2795887	GAS SERVICES	1,393.17	01/22/2020	009-009-5-330-00
	Check Total:	2,507.78		
Vendor: 890	Daniel Cook			Check Sequence: 28
SGR CONFERENCE	PER DIEM FOR SGR CONFERENCE HURST, TX 1/23-1/24/2020	117.50	01/22/2020	101-101-5-240-00
	Check Total:	117.50		
Vendor: 2345	Crawford, Murphy & Tilly Inc			Check Sequence: 29
0206898	Prof Services October 26 - November 22	3,480.00	01/22/2020	001-013-5-390-00
0206947	TRUNK SEWER REHABILITATION DESIGN, BIDDING, & CONSTRUCTION PHASE	12,955.00	01/22/2020	301-303-5-505-00
0206967	DESIGN ENG ASSOCIATED W/ IMPROVEMENTS TO CITY WRF	39,794.53	01/22/2020	301-304-5-505-00
	Check Total:	56,229.53		
Vendor: 352	Curry & Associates Engineers Inc			Check Sequence: 30
001.2019.116	WATER MAIN REPLACEMENT- DESIGN	14,768.41	01/22/2020	201-203-5-505-00
004.2017.96	WTP IEPA LT 2 Enhanced Surgace Water Tx. Rule Compliance, UltraV	591.76	01/22/2020	201-202-5-230-00
	Check Total:	15,360.17		
Vendor: 2358	Daiber Towing			Check Sequence: 31
15392	POLICE TOW 19-9263 MITSUBISHI	100.00	01/22/2020	001-012-5-390-00
	Check Total:	100.00		
Vendor: 2611	Dell Marketing L P			Check Sequence: 32
10361593660	Monitor - Mike Hanna	119.99	01/22/2020	001-013-5-391-00
	Check Total:	119.99		
Vendor: 20045	Dr. Wood Trees & Landscape			Check Sequence: 33
INV01142020	TREE WORK ON SECTOR #1	4,800.00	01/22/2020	001-017-5-390-22
	Check Total:	4,800.00		
Vendor: 5089	ELLIOTT DATA SYSTEMS INC.			Check Sequence: 34
63939	CAMERA LICENSES FOR ELECTRIC DEPT. (3)	1,089.00	01/22/2020	101-101-5-391-00
	Check Total:	1,089.00		
Vendor: 679	Essenpreis Plumbing & Htg			Check Sequence: 35
29970	handle repair kit - pumbing splys for krc	164.85	01/22/2020	009-009-5-450-00
29998	winterized glik park back flow preventers	605.00	01/22/2020	009-016-5-390-00
30020	chamber of comm winterized the restrooms	242.36	01/22/2020	009-016-5-390-00
	REPAIR SQUAD ROOM TOILET	131.57	01/22/2020	001-012-5-380-00
	Check Total:	1,143.78		
Vendor: 414	Excel Bottling Co. Inc.			Check Sequence: 36
2-052885	soda for krc concessions - ski	54.00	01/22/2020	009-009-5-430-50
	Check Total:	54.00		
Vendor: 2786	Fastenal			Check Sequence: 37
ILHIG76598	Safety Hats - White	55.20	01/22/2020	301-301-5-440-00
ILHIG76636	CABLE TIE	58.05	01/22/2020	111-111-5-430-00
ILHIG76656	CB5/8-11x6 Z 5 KEG, 5/8"-11 FHNz5	74.88	01/22/2020	001-017-5-450-00
ILHIG76704	CB5/8-11x4.5 Z 5 KEG	52.30	01/22/2020	001-017-5-430-00

	Check Total:		240.43		
Vendor: 841 38961	FBINAA ID#38961 MEMBER DUES FBINAA C. SCHLARMANN		120.00	01/22/2020	Check Sequence: 38 001-012-5-390-00
	Check Total:		120.00		
Vendor: 4089 B-19-190254 B-19-190302 B-19-190303 B-19-190303 1 B-19-190347 E-19-190356	Leslie E Fear 5 A and B Jason's Pointe-Rough-In Inspection conducted 1/2/2020 90 Crescent View - Rough-In Inspection conducted 1/2/2020 110 Sunbeam Dr - Meter Base Inspection conducted 1/7/2020 110 Sunbeam Dr - Rough-In Inspection conducted 1/7/2020 1426 Laurel St - Rough-In Inspection conducted 1/7/2020 1201 Cypress St - Electric Service Inspection conducted 1/7/2020		120.00 60.00 60.00 60.00 22.50 22.50	01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 39 001-013-5-390-81 001-013-5-390-81 001-013-5-390-81 001-013-5-390-81 001-013-5-390-81 001-013-5-390-81
	Check Total:		345.00		
Vendor: 5629 32362 858991	FERNO WASHINGTON INC AMBULANCE STRETCHERS (QTY4) AMBULANCE STRETCHERS (QTY4)- TRADE INS		61,615.42 -12,000.00	01/22/2020 01/22/2020	Check Sequence: 40 401-401-5-530-00 401-401-5-530-00
	Check Total:		49,615.42		
Vendor: 2191 1109509809	Ferrellgas PROPANE		84.31	01/22/2020	Check Sequence: 41 009-715-5-330-00
	Check Total:		84.31		
Vendor: 745 S1209071.001 S1211909.001 S1212305.001 S1212989.001	Fletcher Reinhardt Company SPA350 Connector C205-0190 Hook Drive FPS-47671 SYLVANIA- LU400/ECO Lamp		109.00 144.00 221.84 370.00	01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 42 101-104-5-430-00 101-104-5-430-00 101-104-5-430-00 101-104-5-430-00
	Check Total:		844.84		
Vendor: 1098 6186542146 6186543568 6186544671 6510017120 6541026120	FRONTIER PHONE CHARGES- STATION #2 PHONE CHARGES POLICE DEPT FAX LINE telephone KRC security telephone WCC fax		47.70 47.62 40.14 182.66 47.62	01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 43 001-014-5-310-00 001-011-5-310-00 001-012-5-310-00 009-009-5-310-00 009-016-5-310-00
	Check Total:		365.74		
Vendor: 8299 30002640	FS Turf Solutions all mineral fertilizer for square at glik park		745.00	01/22/2020	Check Sequence: 44 009-016-5-490-00
	Check Total:		745.00		
Vendor: 5392 2019 2019 JOBS	FURNITURE REWARDS LLC 2019 SALES TAX INCENTIVE 2019 JOBS INCENTIVE		10,357.01 11,250.00	01/22/2020 01/22/2020	Check Sequence: 45 007-007-5-820-05 007-007-5-820-00
	Check Total:		21,607.01		
Vendor: 795 014577831 014605130 4874216	Galls, LLC BLAND/DEPT EAR MOLDS FOR RADIOS Boots - Mike Hanna JEANS FOR SCOTT KUHN		48.69 110.94 68.90	01/22/2020 01/22/2020 01/22/2020	Check Sequence: 46 001-012-5-440-00 001-013-5-440-00 101-102-5-440-00
	Check Total:		228.53		
Vendor: 3379 45861 45862 45863 45864 45865	Gateway Cylinder Technologies LLC HYDRO TEST ONLY- FIBER WRAPPE, ORING HYDRO TEST ONLY- FIBER WRAPPE HYDRO TEST ONLY- FIBER WRAPPE, ORING HYDRO TEST ONLY- FIBER WRAPPE, ORING HYDRO TEST ONLY- FIBER WRAPPE		273.10 273.10 273.10 273.10 380.74	01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 47 001-014-5-360-00 001-014-5-360-00 001-014-5-360-00 001-014-5-360-00 001-014-5-360-00
	Check Total:		1,473.14		
Vendor: 3705 4532	GELLY EQUIPMENT REPAIR LLC MTN/REPAIRS TO UNIT 1543		1,941.46	01/22/2020	Check Sequence: 48 401-401-5-360-10
	Check Total:		1,941.46		
Vendor: 8154 115385307	Global Equipment Company floor mats and wall mount wire shelving		278.90	01/22/2020	Check Sequence: 49 009-009-5-430-00
	Check Total:		278.90		
Vendor: 858 9313769623	Graybar Alpha Tech FlexNet FMPS FTTX PS 120V lin		884.40	01/22/2020	Check Sequence: 50 111-111-5-530-00

9313769623.1	Alpha Tech FlexNet FMPS FTTX PS 120V lin- FREIGHT	153.00	01/22/2020	111-111-5-530-00
9313852693	GM322 Lock Pedestal	1,206.00	01/22/2020	101-104-5-430-00
9313972268	2 pk MinuteMan 6 ft cord surge protector	194.80	01/22/2020	111-111-5-470-00
9313972268.1	2 pk MinuteMan 6 ft cord surge protector- FREIGHT	14.66	01/22/2020	111-111-5-470-00
	Check Total:	2,452.86		
Vendor: 8271	Howard Harris			Check Sequence: 51
	swim stroke personal trainer fees	200.00	01/22/2020	009-009-5-390-09
	Check Total:	200.00		
Vendor: 2385 DECEMBER 2019	Highland Area Christian Servic DECEMBER GOOD SAMARITAN	287.42	01/22/2020	Check Sequence: 52 001-011-5-390-00
	Check Total:	287.42		
Vendor: 936 2586	Highland Chamber Of Commerce SERVICE AWARD CERTIFICATES	580.00	01/22/2020	Check Sequence: 53 001-011-5-390-00
	Check Total:	580.00		
Vendor: 1423	Highland Communication Services			Check Sequence: 54
200-301431	HCS SERVICES- CITY HALL	500.25	01/22/2020	001-011-5-390-50
200-301537	COMMUNICATION CHARGE	493.39	01/22/2020	111-111-5-390-50
200-303703120	telephone/computer/tv for KRC	334.23	01/22/2020	009-009-5-390-50
200-303706120	telephone/computer/tv for WCC	2.00	01/22/2020	009-016-5-390-50
200-303707 PW	Communication Services	204.00	01/22/2020	001-017-5-390-50
200-303711 S&A	Communication Services	33.95	01/22/2020	001-017-5-390-50
200-303712120	telephone/computer/tv for Park Maint Shed	2.00	01/22/2020	009-016-5-390-50
200-303713	HCS SERVICES- STATION #2	2.00	01/22/2020	001-014-5-390-50
200-303714	COMMUNICATION CHARGE	2.00	01/22/2020	101-102-5-390-50
200-303716	POLICE-TV/PHONE/INTERNET	494.90	01/22/2020	001-012-5-310-00
200-304025	HCS SERVICES- STATION #1	2.00	01/22/2020	001-014-5-390-50
200-305702	HCS SERVICES- STATION #1	288.74	01/22/2020	401-401-5-390-50
200-369460	COMMUNICATION CHARGE	85.95	01/22/2020	001-013-5-390-50
200-369460	COMMUNICATION CHARGE	85.95	01/22/2020	101-101-5-390-50
200-519997 WRF	Communication Services	150.01	01/22/2020	301-304-5-390-50
200-526650	Communication Services	119.66	01/22/2020	201-202-5-390-50
200-527315	Enterprise Bundle 1/8/20 - 2/7/20	158.00	01/22/2020	001-013-5-390-50
	Check Total:	2,959.03		
Vendor: 984	Highland's Tru Buy			Check Sequence: 55
000276541115	KRC PARTY HOT DOG BUNS	3.92	01/22/2020	009-009-5-430-00
000276541115	KRC PARTY HOT DOG BUNS	1.96	01/22/2020	009-009-5-430-00
000276541115	WCC SENIOR MEETING PRIZES	65.22	01/22/2020	009-016-5-390-65
000276541115	ROLLER SKATING SODA	9.36	01/22/2020	009-016-5-430-50
1636	MEAT/SUPPLIES FOR CHRISTMAS POT LUCK	135.09	01/22/2020	101-101-5-390-00
6881	CENTRAL PURCHASING SUPPLIES	111.42	01/22/2020	001-000-0-157-00
	Check Total:	326.97		
Vendor: 3049 B-19-190199	HOUSE TURNERS LLC 512 Dolphin Dr W - Certificate of Occupancy Deposit Refund	200.00	01/22/2020	Check Sequence: 56 001-013-5-390-83
	Check Total:	200.00		
Vendor: 1867 19-00880128 19-00880129	Howard Technology Solutions Computer - Mike Hanna DELL OPTIPLEX 7060- SFF, ADDITIONAL RAM MEMORY- D- SNICKLIN	848.00 907.00	01/22/2020 01/22/2020	Check Sequence: 57 001-013-5-391-00 401-401-5-530-00
	Check Total:	1,755.00		
Vendor: 5159 SGR CONFERENCE	MALLORD HUBBARD PER DIEM FOR SGR CONFERENCE HURST, TX 1/23-1/24/2020	117.50	01/22/2020	Check Sequence: 58 007-007-5-240-00
	Check Total:	117.50		
Vendor: 1852 INV2019	Huddle House 2019 TAX INCENTIVE REIMBURSEMENT	6,054.20	01/22/2020	Check Sequence: 59 007-007-5-820-05
	Check Total:	6,054.20		
Vendor: 4884 070634 070733 DECEMBER DECEMBER DECEMBER DECEMBER DECEMBER DECEMBER DECEMBER DECEMBER DECEMBER	Huels Oil Co STREET & ALLEY GALLON PREMIUM OFF-ROAD DIESEL DRUM CHV 1000 THF 55/1 DRUM, CHV URSA SP EC15/40 DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL DECEMBER DIESEL FUEL	511.97 1,258.95 2,087.13 73.70 3,129.31 133.25 391.37 266.19 266.18 1,344.68	01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 60 001-017-5-420-00 001-017-5-450-00 001-017-5-420-00 111-111-5-420-00 401-401-5-420-00 001-014-5-420-00 009-016-5-420-00 301-303-5-420-00 201-203-5-420-00 101-104-5-420-00

	Check Total:		9,462.73		
Vendor: 4686 RENEWAL	IIMC ANNUAL MEMBERSHIP FEE THROUGH 3/31/2021 LHEDIGER		170.00	01/22/2020	Check Sequence: 61 001-011-5-390-00
	Check Total:		170.00		
Vendor: 1039 DECEMBER 2019 DECEMBER 2019	IL Department Of Revenue DECEMBER SALES TAX DECEMBER SALES TAX		99.00 95.00	01/22/2020 01/22/2020	Check Sequence: 62 009-009-5-390-00 009-016-5-390-00
	Check Total:		194.00		
Vendor: 1038 DECEMBER 2019	IL Dept Of Revenue DECEMBER UTILITY TAX		31,165.41	01/22/2020	Check Sequence: 63 101-101-5-710-00
	Check Total:		31,165.41		
Vendor: 3633 DEC RT-10 DEC RT-2	ILLINOIS DEPT OF REVENUE DECEMBER TELECOMMUNICATIONS INFRASTRUCTURE MTN FEE RETURN DECEMBER TELECOMMUNICATIONS TAX RETURN		116.28 3,054.15	01/22/2020 01/22/2020	Check Sequence: 64 111-111-5-390-00 111-111-5-390-00
	Check Total:		3,170.43		
Vendor: 2614 ID3328	Illinois Institute for Rural Affairs Registration-Breann Speraneo-Ann. Rural Comm. & Econ. Dev. Conf		175.00	01/22/2020	Check Sequence: 65 001-013-5-240-00
	Check Total:		175.00		
Vendor: 321 DUESHEIMBURGER	Illinois LEAP ILEAP MEMBERSHIP DUES-J. HEIMBURGER		40.00	01/22/2020	Check Sequence: 66 001-012-5-390-00
	Check Total:		40.00		
Vendor: 3634 DECEMBER2019	ILLINOIS TELECOMMUNICATIONS ACCESS CORP. LOCAL EXCHANGE CARRIER & INTERCONNECTED VOIP & WIRELESS PROVIDER		16.48	01/22/2020	Check Sequence: 67 111-111-5-390-00
	Check Total:		16.48		
Vendor: 1669 215099 215100	J F Electric Inc INSTALL FIBER FOR LCP04 INSTALL FIBER FOR LCP04		8,606.75 11,144.00	01/22/2020 01/22/2020	Check Sequence: 68 111-114-5-540-00 111-114-5-540-00
	Check Total:		19,750.75		
Vendor: 3753 6091571/1 6092011/1 6092011/1 6092020/1 6092020/1	JANSEN CHEVROLET TRUCK 99 INSPECTION 2015 Ford F250- Truck #12 - Inspection & Sticker 2015 Ford F250- Truck #12 - Inspection & Sticker 2019 Ford F550- Truck #716 - Inspection & Sticker 2019 Ford F550- Truck #716 - Inspection & Sticker		35.00 16.50 16.50 17.50 17.50	01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 69 101-104-5-360-10 201-203-5-460-00 301-303-5-460-00 201-203-5-460-00 301-303-5-460-00
	Check Total:		103.00		
Vendor: 5304	JOHN DEERE FINANCIAL				Check Sequence: 70
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		15.95	01/22/2020	201-203-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		10.49	01/22/2020	101-102-5-450-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		23.28	01/22/2020	301-304-5-450-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		80.96	01/22/2020	101-102-5-440-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		62.48	01/22/2020	201-203-5-440-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		117.64	01/22/2020	111-111-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		62.47	01/22/2020	301-303-5-440-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		14.75	01/22/2020	301-304-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		19.09	01/22/2020	301-303-5-460-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		19.10	01/22/2020	201-203-5-460-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		79.16	01/22/2020	001-017-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		41.17	01/22/2020	201-202-5-450-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		15.98	01/22/2020	101-104-5-460-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		15.96	01/22/2020	301-303-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		304.73	01/22/2020	101-104-5-440-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		111.74	01/22/2020	101-102-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		19.27	01/22/2020	401-401-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		87.96	01/22/2020	101-101-5-390-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		24.99	01/22/2020	101-101-5-460-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		159.98	01/22/2020	001-017-5-440-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		4.79	01/22/2020	101-101-5-410-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		129.90	01/22/2020	101-104-5-430-00
11113-57860	HIGHLAND RURAL KING OPERATING SUPPLIES		5.00	01/22/2020	101-101-5-430-00
various	Park maint maint/repair splys for equipment		297.24	01/22/2020	009-016-5-360-00
various	Cemetery maint maint/repair splys		96.25	01/22/2020	009-715-5-450-00
various	Cemetery misc maint/repair splys		20.78	01/22/2020	009-715-5-430-00
various	Park maint minor equipment		32.03	01/22/2020	009-016-5-470-00
various	Park maint misc maint/repair splys		30.76	01/22/2020	009-016-5-450-00

	Check Total:		1,903.90		
Vendor: 1137	Journal Printing				Check Sequence: 71
61001	200 NO PARKING SIGNS BY ORDER OF POLICE	112.00		01/22/2020	001-017-5-430-00
61002	200 PARADE ROUTE/NO PARKING SIGNS	112.00		01/22/2020	001-017-5-430-00
61068	RECEIVED DATE STAMP- LHEDIGER	34.00		01/22/2020	001-011-5-410-00
	Check Total:		258.00		
Vendor: 1151	Kalmer Landscape Supply				Check Sequence: 72
1321		99.32		01/22/2020	101-104-5-430-00
1875/1886	topsoil for cemetery	666.90		01/22/2020	009-715-5-430-00
	Check Total:		766.22		
Vendor: 20833	Dennis Kantner				Check Sequence: 73
774147	dennis cancelled membership got Silver Sneakers	293.12		01/22/2020	009-009-4-347-21
	Check Total:		293.12		
Vendor: 184	Kelly Korte				Check Sequence: 74
SGR CONFERENCE	PER DIEM FOR SGR CONFERENCE HURST, TX 1/23-1/24/2020	117.50		01/22/2020	001-011-5-240-00
	Check Total:		117.50		
Vendor: 3486	Heather Kunz				Check Sequence: 75
KUNZ-1/5/20	SUNGLASSES FOR OFFICER KUNZ	134.82		01/22/2020	001-012-5-440-00
	Check Total:		134.82		
Vendor: 4298	Mark Latham				Check Sequence: 76
SGR CONFERENCE	PER DIEM FOR SGR CONFERENCE HURST, TX 1/23-1/24/2020	117.50		01/22/2020	001-011-5-240-00
	Check Total:		117.50		
Vendor: 4438	London Shoe Shop				Check Sequence: 77
PATTERSON	SAFETY BOOTS FOR BRADEN PATTERSON	129.00		01/22/2020	401-401-5-440-00
	Check Total:		129.00		
Vendor: 24	Craig Loyet				Check Sequence: 78
B-19-190037	220 Flax Dr - Rough-In Inspection conducted 1/2/2020	210.00		01/22/2020	001-013-5-390-82
B-19-190141	2924 Herzog Ln - Underfloor Inspection conducted 1/7/2020	225.00		01/22/2020	001-013-5-390-82
B-19-190199	512 Dolphin Dr W - Final Inspection conducted 1/2/2020	10.25		01/22/2020	001-013-5-390-82
	Check Total:		445.25		
Vendor: 5181	LOYET-ARCHITECTS				Check Sequence: 79
1820-R6	PD REDESIGN ARCHITECT SERVICES FEE AT 35%	17,875.00		01/22/2020	001-012-5-550-00
	Check Total:		17,875.00		
Vendor: 2667	M5 MANAGEMENT GROUP				Check Sequence: 80
INV2019	2019 TAX INCENTIVE REIMBURSEMENT	2,942.19		01/22/2020	007-007-5-820-05
	Check Total:		2,942.19		
Vendor: 2941	MADISON COUNTY INFORMATION TECHNOLOGY				Check Sequence: 81
2019-09H	MADISON CO. LEADS LEASE SEPT 2019	24.28		01/22/2020	001-012-5-340-00
2019-10H	MADISON CO. LEADS LEASE OCT 2019	24.28		01/22/2020	001-012-5-340-00
2019-11H	MADISON CO LEADS LEASE FOR HIGHLAND PD	24.28		01/22/2020	001-012-5-340-00
	Check Total:		72.84		
Vendor: 1328	Mazzio's Pizza				Check Sequence: 82
161092	IDC MEETING/LUNCHEON	36.75		01/22/2020	007-007-5-390-00
various	pizzas for KRC pizza party packages	594.00		01/22/2020	009-009-5-430-00
	Check Total:		630.75		
Vendor: 5222	MCFA DEATH BENEFIT				Check Sequence: 83
682	DEATH BENEFIT- THOMAS TRIONE SR. MARYVILLE VOLUNTEER	84.00		01/22/2020	001-014-5-390-00
722	DEATH BENEFITS- WILLIAM BROWN OF TROY # 1384	81.00		01/22/2020	001-014-5-390-00
722	DEATH BENEFITS- WILLIAM GUSEWELLE OF PRAIRIETOWN # 1385	81.00		01/22/2020	001-014-5-390-00
722	DEATH BENEFITS- ROBERT SEDLACKEK OF GLEN CARBON # 1386	81.00		01/22/2020	001-014-5-390-00
	Check Total:		327.00		
Vendor: 1924	McKay Auto Parts Inc				Check Sequence: 84
806590	Battery- Street Sweeper	111.99		01/22/2020	001-017-5-460-00
806591	Credit Core Deposit - Inv. # 806590- Battery- Street Sweeper	-27.00		01/22/2020	001-017-5-460-00
806675	BLOW GUN- CAT	26.49		01/22/2020	101-102-5-460-00
806886	50 50 FLT Charge	19.98		01/22/2020	001-017-5-460-00
806962	Premium - 30 CH 844	9.57		01/22/2020	201-203-5-460-00
806962	Premium - 30 CH 844	9.57		01/22/2020	301-303-5-460-00

807438	Power Service Diesel, Starting Fluid, Prem. Start. Fluid	55.90	01/22/2020	001-017-5-460-00
807469	Napagold Oil, Fuel, Air Filters	21.31	01/22/2020	301-303-5-460-00
807469	Napagold Oil, Fuel, Air Filters	21.32	01/22/2020	201-203-5-460-00
807478	Tire Rep. STL RAD Kit	5.99	01/22/2020	001-017-5-460-00
807548	1996 Chev. S10 -Fuel Injector, Manifold Gasket Set-Intake	202.86	01/22/2020	301-303-5-460-00
807548	1996 Chev. S10 -Fuel Injector, Manifold Gasket Set-Intake	202.87	01/22/2020	201-203-5-460-00
808085	Fuel Filter, Napagold Fuel Filters, Oil Filter, Air Filters	247.12	01/22/2020	301-303-5-460-00
808085	Fuel Filter, Napagold Fuel Filters, Oil Filter, Air Filters	247.11	01/22/2020	201-203-5-460-00
808093	Credit - 2 Napagold Fuel Filters - INV. #808085	-20.48	01/22/2020	201-203-5-460-00
808093	Credit - 2 Napagold Fuel Filters - INV. #808085	-20.48	01/22/2020	301-303-5-460-00
	Check Total:	1,114.12		
Vendor: 5631 2019-09-10 0007	KATHY MEHALKO AMBULANCE REFUND	178.55	01/22/2020	Check Sequence: 85 401-401-5-390-25
	Check Total:	178.55		
Vendor: 4985 B-19-190193 B-19-190193 1	Mettler Development LLC 219 Carter Ridge - Certificate of Occupancy Deposit Refund 219 Carter Ridge - Single Family Home Incentive Payment-New Sub	200.00 4,000.00	01/22/2020 01/22/2020	Check Sequence: 86 001-013-5-390-83 007-007-5-390-00
	Check Total:	4,200.00		
Vendor: 5257 1912-0034	MID-STATE CONSULTANTS FIELD VERIFICATION LCC#4 TIMBER RIDGE	2,183.00	01/22/2020	Check Sequence: 87 111-114-5-505-00
	Check Total:	2,183.00		
Vendor: 1386 2012372	Midwest Municipal Supply Inc 8" Femco Clay- PVC, 8x6" SDR-26 Tee-WYE GxG	191.24	01/22/2020	Check Sequence: 88 301-303-5-430-00
	Check Total:	191.24		
Vendor: 2555 35489	Mike A Maedge Trucking Inc CM7 Rock = Tic. # 1567225, 1567268	562.61	01/22/2020	Check Sequence: 89 008-008-5-430-00
	Check Total:	562.61		
Vendor: 20084 1239992/1239994	MTI Distributing, Inc. park maint tools/equipment maint repairs	3,794.41	01/22/2020	Check Sequence: 90 009-016-5-360-00
	Check Total:	3,794.41		
Vendor: 2929 IN1412687	MUNICIPAL EMERGENCY SERVICES, INC. Uniforms for Mike Hanna	419.00	01/22/2020	Check Sequence: 91 001-013-5-440-00
	Check Total:	419.00		
Vendor: 1512 7608-193333	Northtown Auto & Tractor OIL, FUEL & AIR FILTER	98.06	01/22/2020	Check Sequence: 92 101-104-5-450-00
	Check Total:	98.06		
Vendor: 3903 0985-139424 0985-140487 0985-140525 0985-141031 0985-141171 0985-141418 0985-143851	O'Reilly Automotive Inc. 14OZ BRAKE CLN BATTERY BATTERY- CORE RETURN STARTING FLD, SOCKET, ADAPTER WINDOW HANDLE E CLIP ASST, SCRATCH FIX 3: 2 pk. vent clip	47.76 199.83 -18.00 37.13 6.68 15.76 11.97	01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 93 101-102-5-450-00 001-012-5-460-00 001-012-5-460-00 101-102-5-460-00 001-014-5-460-00 111-111-5-460-00 201-203-5-430-00
	Check Total:	301.13		
Vendor: 2139 32104	Oates Associates Inc project 17131 il rte 160 shared use path connector	2,145.00	01/22/2020	Check Sequence: 94 009-016-5-505-00
	Check Total:	2,145.00		
Vendor: 3462 20442 20442 20442 20442 20442 20442	OCCUPATIONAL HEALTH & WELLNESS DRUG SCREEN/PHYSICAL- ALEC ROBINSON DRUG SCREEN/PHYSICAL- STEVE ALIER DRUG SCREEN/PHYSICAL- BROK CHASTEEN DRUG SCREEN/PHYSICAL- ANTHONY ELLIOTT DRUG SCREEN/PHYSICAL- HILARY MOLL DRUG SCREEN/PHYSICAL- MICHAEL HANNA	85.00 85.00 85.00 85.00 85.00 85.00	01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020 01/22/2020	Check Sequence: 95 401-401-5-390-00 401-401-5-390-00 101-101-5-390-00 401-401-5-390-00 401-401-5-390-00 001-013-5-390-00
	Check Total:	510.00		
Vendor: 1574 47195954 49580257 51873756	Pepsi soda/water/gatorade WCC soda/water/gatorade krc soda/water/gatorade - krc	992.10 1,049.37 956.09	01/22/2020 01/22/2020 01/22/2020	Check Sequence: 96 009-016-5-430-50 009-009-5-430-50 009-009-5-430-50

	Check Total:		2,997.56		
Vendor: 2677	PERSONAL PREFERENCE SERVICES				Check Sequence: 97
8111	MONTHLY CLEANING	69.00		01/22/2020	111-111-5-380-00
8112	WEEKLY CLEANING	104.00		01/22/2020	001-013-5-380-00
8112	WEEKLY CLEANING	104.00		01/22/2020	101-101-5-380-00
	Check Total:		277.00		
Vendor: 8369	PLAYPOWER LT FARMINGTON				Check Sequence: 98
1400239831	playground equipment	8,009.90		01/22/2020	009-016-5-390-00
	Check Total:		8,009.90		
Vendor: 2474	Plocher Construction Company, Inc.				Check Sequence: 99
5	HIGHLAND WATER RECLAMATION FACILITY IMPROVEMENTS	762,054.59		01/22/2020	301-304-5-550-00
	Check Total:		762,054.59		
Vendor: 108	Lonie Poettker				Check Sequence: 100
INVREIMB.	REIMBURSEMENT FOR LED STROBE FOR CITY BACKHOE	26.78		01/22/2020	001-017-5-430-00
	Check Total:		26.78		
Vendor: 1881	Power & Telephone				Check Sequence: 101
6848771-00	300' Corning Aerial drop	4,020.00		01/22/2020	111-114-5-530-00
6848771-00	750' Corning Aerial drop	1,820.00		01/22/2020	111-114-5-530-00
	Check Total:		5,840.00		
Vendor: 1773	Power Line Supply				Check Sequence: 102
56432646	GTAP1 Gelwrap Splice with Closure	632.16		01/22/2020	101-104-5-430-00
56432918	TE2044 Combination Glove and Sleeve Bag	362.40		01/22/2020	101-104-5-440-00
56433427	Testing PR Gloves 5KV	82.50		01/22/2020	101-104-5-440-00
56433427	NG216BCRB/10	400.00		01/22/2020	101-104-5-440-00
56433427	Testing PR Gloves 40KV	22.00		01/22/2020	101-104-5-440-00
56433427	E011Y/10	62.00		01/22/2020	101-104-5-440-00
56433427	Testing PR Gloves 20KV	82.50		01/22/2020	101-104-5-440-00
56434582	2B40 2-Bolt Connector	135.75		01/22/2020	101-104-5-430-00
	Check Total:		1,779.31		
Vendor: 5008	QUADE TIRE, INC.				Check Sequence: 103
771	2 TIRES FOR JEEP LIBERTY	250.50		01/22/2020	101-102-5-360-10
	Check Total:		250.50		
Vendor: 3377	Quality Testing & Eng Inc				Check Sequence: 104
20191231	HIGHLAND WATER RECLAMATION FAC PROJEC 17-0365-C	3,666.05		01/22/2020	301-304-5-550-00
	Check Total:		3,666.05		
Vendor: 4211	R P Lumber Co Inc				Check Sequence: 105
2001-365694	steps at outdoor pool	106.16		01/22/2020	009-503-5-450-00
	Check Total:		106.16		
Vendor: 969	Red E Mix LLC				Check Sequence: 106
830781	From 10-22-2019: Order # 95036 - 88PCCEV30 S/P, #4 Rods,Sm. Ld.	546.50		01/22/2020	201-203-5-380-00
830781	From 10-22-2019: Order # 95036 - 88PCCEV30 S/P, #4 Rods,Sm. Ld.	546.50		01/22/2020	301-303-5-380-00
832502	Order # M21439 - 60: No. 3 Rods 3/8"	30.00		01/22/2020	201-203-5-430-00
833135	washed sand for cemetery	220.00		01/22/2020	009-715-5-430-00
	Check Total:		1,343.00		
Vendor: 1238	Reding Tire & Battery Inc				Check Sequence: 107
2116754	CAR 6-OIL, LUBE AND FILTER	28.95		01/22/2020	001-012-5-360-10
2116807	CAR 3, OIL,LUBE,FILTER/TIRE REPAIR/ROTATE	48.95		01/22/2020	001-012-5-360-10
	Check Total:		77.90		
Vendor: 20834T	Sandy Renspurger				Check Sequence: 108
774759	membership refund -	19.00		01/22/2020	009-009-4-347-21
	Check Total:		19.00		
Vendor: 3329	RIGHT WAY TRAFFIC CONTROL, INC.				Check Sequence: 109
17122	Troxler Ave. Striping- Pavement Markings	3,380.00		01/22/2020	050-050-5-540-10
17369	Troxler Ave. Striping- Pavement Markings	3,055.10		01/22/2020	050-050-5-540-10
	Check Total:		6,435.10		
Vendor: 1819	Rotolite Of St Louis Inc				Check Sequence: 110
INV0267301	PLOTTER BOND, INK JET COLOR BOND	145.85		01/22/2020	101-101-5-410-00

	Check Total:		145.85		
Vendor: 3514	SANDBERG PHOENIX & VON GONTARD P.C.				Check Sequence: 111
522130	LEGAL FEES THROUGH 12/31/19- LABOR & EMPLOYMENT	433.50		01/22/2020	001-012-5-220-00
522130	LEGAL FEES THROUGH 12/31/19- LABOR & EMPLOYMENT	51.00		01/22/2020	101-101-5-220-00
522130	LEGAL FEES THROUGH 12/31/19- LABOR & EMPLOYMENT	102.00		01/22/2020	401-401-5-220-00
	Check Total:		586.50		
Vendor: 1884	Schulte Supply Inc				Check Sequence: 112
S1156586.001	8"x15" Repair Clamp	253.39		01/22/2020	201-203-5-430-00
	Check Total:		253.39		
Vendor: 3410	Jeff & Jill Schwend				Check Sequence: 113
1712	UNIFORM CLEANING FOR CHRIS HARTSOE 73417	20.00		01/22/2020	401-401-5-260-00
	Check Total:		20.00		
Vendor: 1587	Timothy Singler				Check Sequence: 114
B-19-190037	220 Flax Dr - Rough-In Inspection conducted 1/2/2020	210.00		01/22/2020	001-013-5-390-82
B-19-190141	2924 Herzog Ln - Underfloor Inspection conducted 1/7/2020	225.00		01/22/2020	001-013-5-390-82
B-19-190199	512 Dolphin Dr W - Final Inspection conducted 1/2/2020	10.25		01/22/2020	001-013-5-390-82
	Check Total:		445.25		
Vendor: 5385	DAVID SLOVER				Check Sequence: 115
SGR CONFERENCE	PER DIEM FOR SGR CONFERENCE HURST, TX 1/23-1/24/2020	117.50		01/22/2020	001-011-5-240-00
	Check Total:		117.50		
Vendor: 5556	BREANN SPERANEO				Check Sequence: 116
SGR CONFERENCE	PER DIEM FOR SGR CONFERENCE HURST, TX 1/23-1/24/2020	117.50		01/22/2020	001-013-5-240-00
	Check Total:		117.50		
Vendor: 2297	SPRINGBROOK SOFTWARE LLC				Check Sequence: 117
INV-ACC50082	DECEMBER WEB PAYMENTS	1,089.00		01/22/2020	101-101-5-390-00
INV-ACC50082	DECEMBER WEB PAYMENTS	435.60		01/22/2020	201-201-5-390-00
INV-ACC50082	DECEMBER WEB PAYMENTS	435.60		01/22/2020	301-301-5-390-00
INV-ACC50082	DECEMBER WEB PAYMENTS	217.80		01/22/2020	713-713-5-390-00
	Check Total:		2,178.00		
Vendor: 8345	Steinmann Service				Check Sequence: 118
713900	new ice machine for the korte rec center	3,508.35		01/22/2020	009-009-5-470-00
	Check Total:		3,508.35		
Vendor: 3756	Stryker Sales Corporation				Check Sequence: 119
2890270 M	4 YEAR PREVENT MTN AGREEMENT 1/20/2020- 1/19/2024	5,400.00		01/22/2020	401-401-5-390-00
	Check Total:		5,400.00		
Vendor: 5151	SUMNER ONE, INC.				Check Sequence: 120
2400543	COLOR OVERGES	16.06		01/22/2020	111-111-5-340-00
2406816	WCC contract rate for WCC copier	44.00		01/22/2020	009-016-5-390-00
L306673047	LEASE/RENTAL	122.34		01/22/2020	101-101-5-340-00
L306673047	LEASE/RENTAL	122.33		01/22/2020	001-013-5-340-00
L306746042	LEASE/RENTAL	172.24		01/22/2020	111-111-5-340-00
	Check Total:		476.97		
Vendor: 376	Sunbelt Rentals Inc				Check Sequence: 121
96276630-0001	FOR XMAS HOUSES	106.36		01/22/2020	101-102-5-340-00
	Check Total:		106.36		
Vendor: 2011	Switzer Food and Supplies				Check Sequence: 122
163609.00	concession splys for krc	736.24		01/22/2020	009-009-5-430-50
	Check Total:		736.24		
Vendor: 2028	Teklab Inc				Check Sequence: 123
238369	BASLER ANNUAL SAMPLING	246.60		01/22/2020	301-305-5-390-23
238539	Total Coliform -Total Membrane Filter	152.90		01/22/2020	201-203-5-390-23
238615	H. MACHINE ANNUAL SAMPLING	643.20		01/22/2020	301-305-5-390-23
	Check Total:		1,042.70		
Vendor: 1208	The Korte Company Inc				Check Sequence: 124
49519	STAKE, LATHE PT 1/2X1-1/2X4'	61.50		01/22/2020	101-104-5-430-00
	Check Total:		61.50		

480027178-0001	AIR CARDS	36.01	01/22/2020	101-101-5-390-50
480027178-0001	AIR CARDS	36.01	01/22/2020	201-203-5-310-00
480027178-0001	AIR CARDS	36.01	01/22/2020	001-017-5-310-00
480027178-0001	AIR CARDS	57.00	01/22/2020	001-012-5-310-00
480027178-0001	CELL PHONE SERVICE	47.00	01/22/2020	001-017-5-310-00
480027178-0001	AIR CARDS	36.01	01/22/2020	001-013-5-390-50
480027178-0001	AIR CARDS	36.01	01/22/2020	111-111-5-390-50
480027178-0001	AIR CARDS	36.01	01/22/2020	111-111-5-390-50
480027178-0001	AIR CARDS	36.01	01/22/2020	001-012-5-390-50
480027178-0001	CELL PHONE SERVICE	60.00	01/22/2020	001-011-5-310-00
480027178-0001	CELL PHONE SERVICE	27.59	01/22/2020	301-303-5-310-00
480027178-0001	CELL PHONE SERVICE	27.59	01/22/2020	201-203-5-310-00
480027178-0001	CELL PHONE SERVICE	47.00	01/22/2020	001-017-5-310-00
480027178-0001	CELL PHONE SERVICE	2.68	01/22/2020	201-202-5-310-00
480027178-0001	CELL PHONE SERVICE	47.00	01/22/2020	301-304-5-310-00
480027178-0001	CELL PHONE SERVICE	47.00	01/22/2020	201-203-5-310-00
480027178-0001	CELL PHONE SERVICE	47.00	01/22/2020	001-017-5-310-00
	Check Total:	5,376.21		
Vendor: 4979 953846	Watts Copy Systems Inc. COPIER LEASE/USAGE FOR BOTH COPIERS AT CITY HALL	511.89	01/22/2020	Check Sequence: 137 001-011-5-340-00
	Check Total:	511.89		
Vendor: 20835 771766	Katina Weller overcharge for party pmt	13.00	01/22/2020	Check Sequence: 138 009-009-4-347-79
	Check Total:	13.00		
Vendor: 3152 5008607276	WELLS FARGO VENDOR FIN SERV Copier MP C3503	278.36	01/22/2020	Check Sequence: 139 001-017-5-340-00
	Check Total:	278.36		
Vendor: 8126 583491 587289	William F. Brockman Co party bag candy candy and chips for krc concession stand	68.55 357.52	01/22/2020 01/22/2020	Check Sequence: 140 009-009-5-430-00 009-009-5-430-50
	Check Total:	426.07		
Vendor: 504 1992	Woodcrest Small Engine ethanol free fuel for park main shed equipment	30.93	01/22/2020	Check Sequence: 141 009-016-5-430-00
	Check Total:	30.93		
Vendor: 2311 958810	ZirMed INC. MONTHLY PROFESSIONAL CLAIMS MANAGEMENT/REMITTANCE ADVICE FEE	130.20	01/22/2020	Check Sequence: 142 401-401-5-390-00
	Check Total:	130.20		
Vendor: 4499 19215-1	Zobrist Electric Inc REPLACEMENT OF AC BRAKERS IN HEADEND	165.00	01/22/2020	Check Sequence: 143 111-114-5-390-00
	Check Total:	165.00		
Vendor: 4350 2984770	Zoll Medical Corporation GPO LIFEBAND 3 PACK	412.44	01/22/2020	Check Sequence: 144 401-401-5-430-00
	Check Total:	412.44		
	Total for Check Run:	1,210,123.34		
	Total of Number of Checks:	144		

Invoice No	Description	Amount	Payment Date	Acct Number
Vendor: 4719	KRC Administration PR Batch 00001.01.2020 KRC Membership	192.43	01/08/2020	Check Sequence: 1 802-000-1-216-25
	Check Total:	192.43		
Vendor: 4513	Russell C Simon PR Batch 00001.01.2020 Withholding order Russell Simo	134.00	01/08/2020	Check Sequence: 2 802-000-1-216-20
	Check Total:	134.00		
Vendor: 3077	State Disbursement Unit PR Batch 00001.01.2020 Child Support State Disb Unit	712.30	01/08/2020	Check Sequence: 3 802-000-1-216-20
	Check Total:	712.30		

Vendor: 2954	Vantagepoint Trans Agts-301638 PR Batch 00001.01.2020 ICMA	1,446.00	01/08/2020	Check Sequence: 4 802-000-1-215-03
	Check Total:	1,446.00		
Vendor: 5628 INV01182020	CLUB VIP DJ FOR 2019 SERVICE AWARD BANQUET HELD ON 1/18/2020	395.00	01/18/2020	Check Sequence: 1 001-011-5-390-00
	Check Total:	395.00		
	Total for Check Run:	2,879.73		
	<u>GRAND TOTAL:</u>	<u>\$ 1,213,003.07</u>		