

**MINUTES OF REGULAR SESSION  
HIGHLAND CITY COUNCIL  
MONDAY, MARCH 16, 2026**

Mayor Hemann called the Special Session to order at 6:30pm at Highland City Hall. Council members Klaus, Sloan, Bellm, and Napper were present. Others in attendance were City Manager Conrad, City Attorney Kathryn Warren, Directors Cook, Gillespie, Heimbürger, Hubbard, Koehnmann, Ohren, Widman and Wilken, Fire Chief Straub, City Staff Stephanie Nicklin, Mike Russell, Jordan Bauer, and Gene Cox, City Treasurer Nicolaides, Deputy Clerk Chris Flake, City Clerk Bellm, and 7 citizens.

**MINUTES**

Councilman Klaus made a motion to approve the minutes of the March 2, 2026 Regular Session as attached. Motion seconded by Councilwoman Bellm. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

**PUBLIC FORUM**

Citizens' Requests and Comments:

*Highland Music School – The Highland Diamond Drummers Concert – Special Event Application*  
– David Williams, Representative, stated I started this group, last year, for ages 7-13, to give them an opportunity to learn percussion. Mr. Williams requested permission for use of the Highland Square on Saturday, May 16, 2026, 12:00pm – 4:30pm, for the Highland Diamond Drummers Concert. Councilwoman Bellm made a motion to approve the Highland Music School's request for the Highland Diamond Drummers Concert, on May 16, 2026 as attached. Motion seconded by Councilwoman Sloan. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Requests of Council:

No comments or requests made.

Staff Reports:

City Manager Chris Conrad informed the council that CSX Railroad is working in town on the crossings this week and a good portion of next week.

Expansion of the Weinheimer Parking Lot project will start this week with former Chipper's building coming down.

We are starting the water main replacement project. We have started with the mains on Pine Street and Washington Streets, from 6<sup>th</sup> to 8<sup>th</sup> Street, then they will move over to the El Kay Meadows.

City Manager Conrad noted, with baseball season starting and the changes with FanDuel, as well as recent buyout and rights to the Cardinal games, we are still working on what channel the Cardinal games will be broadcast on. We do not have details yet; however, we are working diligently to make sure we have ways for customers to view those.

*Annual Public Safety Report Presentation*

Public Safety Director Carole Widman stated with the size of the agenda for tonight, she would provide a brief overview, and less formal presentation, of the Annual Public Safety Report for 2025, which was included in the information to the council. Calls for all services have increased each year and this year is no different. At the same time, we make sure the community is at the forefront of what we do. In addition to self-initiated activities, the police department responded to 6,243 calls, a 28.6% increase, while the number of felony cases have dropped. Training in all areas remains a major focus. Our K-9 unit was called into deployment 28 times this past year. The Fire Department saw a 22% increase in calls, in 2025, for a total 458 calls. The highest ever. EMS, even though they experienced a lot of changes in structure, they continued to prosper. 98% of calls for service originated within Highland. Our mutual aid venues averaged about 2% of our total call volume. The Building and Zoning Code Enforcement Department saw a 34% increase workload, from the number of permits issued to increases in code enforcement cases.

Director Widman summarized public safety services are being called upon more each year. I am proud that we have maintained the level of services. Mayor Hemann inquired how the calls for HSHS transfers have been going, since starting March 1. EMS Operations Manager Stephanie Nicklin reported we have been averaging 2-3 transfers per day plus that unit has been picking up some of the 911 calls. Mayor Hemann asked how the new fire truck is coming along. Fire Chief Chris Straub responded we are getting close to having it ready to go.

*Square Lighting Demonstration*

Director Dan Cook and Gene Cox presented a couple of options for proposed new lighting around the downtown Square. Director Cook explained the nice acorn design of lights we have are getting older and requiring more maintenance and replacement of lenses that are becoming brittle. Replacement lenses are \$1300, retrofit kits to LED is even more, at about a cost of \$3,000. We have a couple of samples for different units that are LED. Option 1, which is similar to the lights placed along Veterans' Honor Parkway, has a cost of \$1100. Option 2 costs \$1000; it is more closer to acorn-design that we have, currently, around the Square. We will put both of them up on the north side of the Square for viewing. Let us know your thoughts. Mayor Hemann expressed Option 2 looks closer to what we have out there now. Councilwoman Bellm agreed she likes that one also. Director Cook noted staff liked that one because it is easier to service. Both options are American made.

**NEW BUSINESS**

Approve Notice of Municipal Letting, Bid # PW-01-26, for Street Resurfacing 2026 – Councilwoman Sloan made a motion to approve Notice of Municipal Letting, Bid # PW-01-26, for Street Resurfacing 2026 as attached. Motion seconded by Councilwoman Bellm. Public Works Director Joe Gillespie reported this will resurface all of 12<sup>th</sup> Street and all of 13<sup>th</sup> Street. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting, Bid # PW-02-26, for Aldi Store Access Road and Sanitary Sewer Extension – Councilwoman Bellm made a motion to approve Notice of Municipal Letting, Bid # PW-02-26, for Aldi Store Access Road and Sanitary Sewer Extension as attached. Motion seconded by Councilman Klaus. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-30/RESOLUTION Waiving Competitive Bidding Requirement and Authorizing Purchase of Playground Equipment from GameTime for the City of Highland Parks and Recreation Department - Councilwoman Sloan made a motion to approve Bill #26-30/RESOLUTION #26-03-3262 waiving

competitive bidding requirement and authorizing purchase of playground equipment from GameTime for the City of Highland Parks and Recreation Department, in the amount of \$27,351.55, as attached. Motion seconded by Councilman Klaus. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-31/RESOLUTION Approving PEP Loan Distribution Agreement for PEP Loan Between Madison County Community Development and City of Highland for Cycling Bicycles – Councilwoman Bellm made a motion to approve Bill #26-31/RESOLUTION #26-03-3263 approving PEP Loan Distribution Agreement for PEP Loan between Madison County Community Development and City of Highland for cycling bicycles as attached. Motion seconded by Councilman Napper. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-32/ORDINANCE Authorizing the City of Highland to Borrow Funds and to Obligate City Funds for the Repayment of Borrowing for the Purpose of Purchasing Twenty-Two (22) Cycling Bicycles – Councilwoman Sloan made a motion to approve Bill #26-32/ORDINANCE #3434 authorizing the City of Highland to borrow funds and to obligate city funds for the repayment of borrowing for the purpose of purchasing twenty-two (22) cycling bicycles as attached. Motion seconded by Councilman Klaus. Councilwoman Bellm asked Director Laura Wilken to tell us a bit about the bicycles. Director of Recreations & Events Laura Wilken reported these will replace the current cycling bikes, which are from 2017. We want to utilize a PEP loan to pay back for over three years. Councilwoman Sloan asked what we do with all old bikes. Director Wilken explained we put them out for bid. The highest bidder gets first pick and we go from there. They will go pretty quickly. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-33/ORDINANCE Amending Chapter 78, Article VII, Section 78-732, of the Code of Ordinances, City of Highland, Illinois, Entitled Schedule of FTTP Rates and Charges, Specifically Rates for Victory TV – Councilwoman Sloan made a motion to approve Bill #26-33/ORDINANCE #3435 amending Chapter 78, Article VII, Section 78-732, of the Code of Ordinances, City of Highland, Illinois, entitled Schedule of FTTP Rates and Charges, specifically rates for Victory TV as attached. Motion seconded by Councilman Klaus. City Manager Conrad stated we usually see increases 1-2 times each year. As channels consolidate, we have to do this to stay competitive. Mayor Hemann noted with these increases, we are still less than our competitors. Councilman Klaus expressed I am very happy with VTV services. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-34/ORDINANCE Amending Chapter 78, Article VII, Section 78-732, of the Code of Ordinances, City of Highland, Illinois, Entitled Schedule of FTTP Rates and Charges, Specifically Rates for Asset Protection Charge – Councilwoman Bellm made a motion to approve Bill #26-34/ORDINANCE #3436 amending Chapter 78, Article VII, Section 78-732, of the Code of Ordinances, City of Highland, Illinois, entitled Schedule of FTTP Rates and Charges, specifically rates for asset protection charge as attached. Motion seconded by Councilman Klaus. City Manager Conrad explained this coincides with the next item on the agenda. Technology equipment costs have increased and we have to pass that along. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-35/RESOLUTION Waiving Competitive Bidding Requirement and Approving And Authorizing the Execution of a Purchase Order to CDW to Purchase 25 Desktop Computers and 3 Laptop Computers Through the State of Illinois Joint Purchasing Program as a Sole Source Purchase for an Amount Not to Exceed \$56,594.46 – Councilwoman Sloan made a motion to approve Bill #26-35/RESOLUTION #26-03-3264 waiving competitive bidding requirement and approving and authorizing the execution of a purchase order to CDW to purchase 25 desktop computers and 3 laptop computers through the State of Illinois Joint Purchasing Program as a sole source purchase for an amount not to exceed

\$56,594.46 as attached. Motion seconded by Councilman Klaus. City Manager Conrad reported this is the computer replacement program for Fiscal Year 26-27. We are using reserves now, because we have heard from the vendor of an impending 15% increase. Councilman Napper asked do we sell the old computers. Mike Russell explained that for security purposes we need to destroy the hard drive. If you take the hard drive out, they really have no value. We currently put them through a recycling program. Councilman Napper inquired so you destroy the hard drive. Mike replied yes. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-36/RESOLUTION Approving Agreement for City of Highland d/b/a Highland Communications Services, Between Calix Operations Cloud – Councilwoman Bellm made a motion to approve Bill #26-36/RESOLUTION #26-03-3265 approving agreement for City of Highland d/b/a Highland Communications Services, between Calix Operations Cloud as attached. Motion seconded by Councilman Napper. City Manager Conrad explained this is renewal of an existing contract. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-37/RESOLUTION Making Separate Statement of Findings of Fact in Connection With Ordinance Granting Special Use Permit for a Place of Public Assembly Within the “I” Industrial Zoning District – Councilwoman Sloan made a motion to approve Bill #26-37/RESOLUTION #26-03-3266 making Separate Statement of Findings of Fact in connection with ordinance granting Special Use Permit for a place of public assembly within the “I” Industrial Zoning District as attached. Motion seconded by Councilman Klaus. City Manager Conrad explained these next three items are related to Travis Tilton’s project at the old JetLite building. He is turning this building into gym/exercise and children’s event facility, on 13<sup>th</sup> Street. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-38/ORDINANCE Granting a Special Use Permit to Travis Tilton to Allow a Place of Public Assembly Within the “I” Industrial Zoning District – Councilwoman Bellm made a motion to approve Bill #26-38/ORDINANCE #3437 granting a Special Use Permit to Travis Tilton to allow a place of public assembly within the “I” Industrial Zoning District as attached. Motion seconded by Councilman Napper. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-39/ORDINANCE Amending the City Code of Ordinances, Chapter 90 – Zoning, Article III – Districts and Zoning Maps, Division 8 – “I” Industrial District, Sec. 90-188 – Permitted Uses, Table 3.1.B – Principal Non-Residential Uses – Councilwoman Sloan made a motion to approve Bill #26-39/ORDINANCE #3438 amending the City Code of Ordinances, Chapter 90 – Zoning, Article III – Districts and Zoning Maps, Division 8 – “I” Industrial District, Sec. 90-188 – Permitted Uses, Table 3.1.B – Principal Non-Residential Uses as attached. Motion seconded by Councilman Napper. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-40/RESOLUTION Authorizing Allocation of Hotel / Motel Tax Funding (2026 Requests – Various) – Councilwoman Bellm made a motion to approve Bill #26-40/RESOLUTION #26-03-3267 authorizing allocation of Hotel / Motel Tax Funding (for the 2026 Requests – Various) as attached. Motion seconded by Councilman Napper. Mayor Hemann inquired this is similar to last year’s budget. City Manager Conrad replied yes, it is similar to last year’s budget, as we did not see much change in receipts. Mayor Hemann asked if all of these groups submitted their applications. City Manager Conrad responded yes. It is much easier to track and administer using this format, than how it was done previously. This is our second year using this process. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-41/ORDINANCE Amending Chapter 6, of the Code of Ordinances, City of Highland, Alcoholic Liquor, to Increase the Number of D1 Liquor Licenses to Nine – Councilwoman Sloan made a motion to approve Bill #26-41/ORDINANCE #3439 amending Chapter 6, of the Code of Ordinances, City of Highland, Alcoholic Liquor, to increase the number of D1 Liquor Licenses to nine as attached. Motion seconded by Councilman Klaus. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Bill #26-42/RESOLUTION Issuing a “D1” Liquor License to James O’Shea, Pursuant to Chapter 6, of the Code of Ordinances, City of Highland, Entitled Alcoholic Liquor – Councilwoman Bellm made a motion to approve Bill #26-42/RESOLUTION #26-03-3268 issuing a “D1” Liquor License to James O’Shea, pursuant to Chapter 6, of the Code of Ordinances, City of Highland, entitled Alcoholic Liquor as attached. Motion seconded by Councilman Klaus. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

**Budget Discussion – FY 2026-2027 Annual Budget**

City Manager Chris Conrad stated we submit for your review the FY 2026-2027 budget, which shows an anticipated \$191,346.00.00 budget deficit, as we continue to tackle several infrastructure projects, large equipment purchases and deferred maintenance projects. The total budget for FY 26-27 is \$64,477,943.00, which is about a 12% increase from FY 25-26, with \$2 million of that being the proposed TIF projects. We have anticipated a 13% increase in revenue based primarily on the changes in the collection of Use Tax to Local Sales Tax and the proceeds of the coming bond issuance for the TIF projects. We have estimated these revenues conservatively and will monitor them throughout the year as the Governor’s Office proposed a stagnation of the LGDF revenues, which if adopted, may impact our anticipated revenues.

The FY 2026-2027 budget has been prepared with our historic in-house metrics of 85% for O&M, 10% for Capital and 5% for Replacement/Reserves as guidance. Just as we did last year, we made adjustments in this budget to accommodate the additional capital projects and necessary equipment expenditures, which moved our percentages with O&M at 74%, Capital at 24% and Reserves at 2% for this budget.

City Manager Conrad stated I don’t want council to be alarmed as we deviate from this internal policy for a second year in a row. As council is aware, we made administrative decisions and adjustments in past years to our operations that reduced the operational costs of the City that resulted in actual transfers to reserves being higher than expected, which now allows for a few years of lower than normal deposits into reserves, without risking our operations. This, combined with the increase in capital spending is reflective of our efforts to improve and replace our aging infrastructure and equipment. Our reserve balances were a point of discussion during our recent bond rating review, as our growth in reserves has been an exception to the experience of many of our neighbors and was noted by the rating agency. Many of these projects and equipment purchases were anticipated and we had purposely set aside funds into reserves in previous years to accommodate these expenses. The unanticipated growth in our reserves is allowing us to take on additional projects that would have been pushed to later budget years. To be clear, we are not pulling any reserves for operational expenses, just for necessary and deferred capital and equipment expenses. While we still have concerns about the increases in operating expenses and we continue to monitor the effects of inflation, tariffs, health insurance and the increases in minimum wage (which is now fully enacted). This will be the first year we see the minimum wage fully impact expenditures. We did see an unexpected bright spot in our unrestricted revenues this past year. The changes at the State level in the collections of Use Tax to Local Sales Tax, turned out to be a net positive for the City of Highland, which brought in additional unrestricted revenue to help offset the increases we are seeing in operating expenses. While we expect the future growth to be similar to historic growth, we

were very pleased to see this unexpected increase this year and it helped offset a substantial portion of our anticipated deficit that we budgeted for last year.

In the EMS service, we will be closely watching federal budget policy decisions as they pertain to Medicare and Medicaid. We have eclipsed over 80% of our call volume being to individuals covered by Medicare and Medicaid, so any cuts to those programs at the Federal level would have a negative impact on the revenues of that Department. The recent agreement with the hospital for transport services should not be impacted by these Federal policy decisions, as we have set a base cost contract to help support this new service. In its first month, it seems to be working as intended, and is providing a nice service to the community.

For general fund projects, the citywide software implementation is going and we will continue to evaluate our operations, to keep the City on a sustainable path regarding revenue vs. expenses. We also intend to start the comprehensive plan process for the City. Our current comprehensive plan was last amended in 2017 and most projects and objectives in the plan have been accomplished. This will be a major administrative undertaking and will include community input and feedback. For the remainder of the projects we are looking to accomplish this year, I will defer to the Directors and their budget comments. The Directors and their Staff put in numerous hours putting together their budgets, obtaining cost estimates and engaging in long-term planning. I don't want to detract from their efforts by stealing their thunder on their accomplishments and proposals.

City Manager Conrad stated we submit to you, for your consideration, the proposed operating and capital budget for the City of Highland's fiscal year of 2026/2027. He thanked the directors, department heads, supervisors and especially Reanna for their cooperation and hard work during this budget process. Each year seems to bring new challenges and shifts in the funding sources from the State, which makes the budget process a little more complex each year. I was very proud of the flexibility and efforts of the City Staff and their continued professional and responsible stewardship of the taxpayers' dollars.

#### General Administration

Director of Finance Reanna Ohren gave an overview of the budget packet, as it has a new look, thanks to the new software. Mayor Hemann inquired where the population demographics came from. Director Ohren reported those came from the software company. City Manager Conrad explained they get those from open source data. Director Ohren reported, overall, many departments are really amping up capital purchases in this next budget year. General Administration does not have a lot of capital expenditures; however, it is doing transfers to Community Development and helping out Parks and Rec.

#### IT / Technology

Mike Russell reported we recently added a new IT staff member, which has already helped with our response time. Mayor Hemann noted that new, this year, each department is hit with IT costs. Is that based on the number of people or computers? Director Ohren responded that is based on the number of people. City Manager Conrad pointed out that the council approved all the capital purchases for IT tonight. This method makes the cost of IT more transparent.

#### Public Safety Department

##### *Police Department*

Director Widman pointed out the police department is really personnel heavy. We are adding one more officer in this budget year. We will have three officers funded 75% by the schools they are stationed with. We are going to purchase one new vehicle, and purchase new firearms, in this next year. A lot of expenditures in technology, including Starcom radios, in conjunction with the county's program. We are unsure of the final cost for that, yet.

### *Building & Zoning/Code Enforcement*

Director Widman reported that we have a lot in reserves under this budget. We were able to find a used vehicle, recently. We will be hiring one part-time person to assist in this department. That person currently works part-time at the police department. Beginning in May, they will be twenty hours at the PD and twenty hours in Building & Zoning. City Manager Conrad pointed out there are funds set aside in this budget for review of the Comprehensive Plan as well.

### *Fire Department*

Fire Chief Chris Straub reported we have allocated funds for Starcom radio purchases and to continue to pay down our loan. With training requirements by State, we will continue to utilize our training facility and work to grow our volunteer staff. The Woodcrest Fire Station has not had any maintenance done in a while, so we want to put some funds towards maintaining it.

### *EMS*

EMS Operations Manager Stephanie Nicklin stated we are a very heavy personnel department. With the addition of the transfer contract, we did add one staff member. This fiscal year, we purchased a new truck when we came across a deal we could not pass up. Funds have also been set aside for Starcom radios for this next budget year.

### Parks & Recreation Department

Laura Wilken, Director of Recreation & Events, stated we want to thank the new facility maintenance department that comes to fix things properly.

### *Korte Recreation Center (KRC)*

With the KRC being twenty-five years old, we want to get the roof replaced. Additionally, we want to focus on new lighting for the pool area, to improve visibility and enhance the overall environment. We recently had one of the light fixtures go out, so it is time. Revenues continue to go up, and we are busy.

### *Pool*

Director Wilken stated, basically, our budget is focused on keeping it going. We budget for chemicals and routine maintenance items with some funds for “just in case” issues.

### *Parks*

Brad Koehnemann, Director of Parks & Natural Resources, reported they started on the pickleball courts today at Spindler Park. Thank you to Dan Cook and the electric department, we got new lights out there. The existing lights were put out there in the 1980s. We have also budgeted (\$100,000) for a new comfort station out there. We also plan to replace Mark Rosen’s old 2008 Jeep. \$200,000 budgeted for Glik Park playground equipment replacement, which we cannot get parts for anymore.

### *Cemetery*

Director Koehnemann reported we had 72 burials, this past year, with 32 of those being cremations. The columbarium, recently purchased, will be a nice addition. Thanks to Public Works Director Joe Gillespie and the Streets & Alleys Staff for the help they have given with installation of new roads. We have almost nine blocks of concrete roads. After this year, hope to have half to two-thirds of the roads in the cemetery as concrete roads.

### Community Development

#### *Economic Development*

Director Mallord Hubbard stated we continue to be satisfied with development we have seen. In this next budget year, we will continue to prioritize funds towards promoting existing businesses and

attracting future development. In TIF #1, we will continue to pay down bonds. TIF #2 we are putting funds towards the Sycamore & Route 40 Access Point Road; and, in TIF #3, funds are allocated for engineering and construction for Cally Lane Extension for the Aldi Development.

### *Business Districts*

For the Business Districts, we continue with the development agreements on the books, putting funds towards the comprehensive plan review, incentives for single-family residential homes construction, and enhancing parking in the Downtown Square area. Mayor Hemann noted funds for the new roof for KRC is coming out of Business District funds.

### Public Works Department

#### *Streets and Alleys*

Public Works Director Joe Gillespie reported budget goals for this upcoming year include replacing a dump truck and backhoe. Right now, it takes twelve months to receive a new dump truck. We will continue to repair streets, curbs, and sidewalks. He noted we have over fifteen subdivisions with concrete streets.

#### *Water*

We will continue to replace controllers in the Water Treatment Plant, clean out both sludge lagoons, and replace the remaining filter systems. IEPA is requiring us to inventory service from the main to all buildings. If we do not have that, IEPA will assume it is lead based. So we have been busy trying to get that done before the deadline. Every school and anything registered by the State of Illinois as daycare, we must take samplings and turn results into the State.

#### *Sewer*

We projected flat revenue for this next year. We will continue with the CIPP (cure-in-place pipe) projects for the remaining clay pipe in our system. We want to purchase new sewer camera software and service truck.

### *MFT / Non-Home Rule Sales Tax*

Director Gillespie explained MFT (Motor Fuel Tax) revenue comes to us based on population. Oil and chipping is our biggest expenditure for MFT funds. Non-Home Rule Sales Tax budget goals are to continue payment for eastern and southern peripheral routes, resurfacing of 12<sup>th</sup> and 13<sup>th</sup> Streets, and sealing of multipurpose trails along Iberg and the trails north and west of St. Joseph's Hospital. Funds will go towards preliminary engineering of improvements to the south end of Poplar Street, which we hope to start in late 2026. Most of that project will be covered by state grant funds, as well as a Shared-Use grant to construct multipurpose use trail from the Lindenthal Campus to new primary school.

### Electric

Director Dan Cook reported Ameren is looking to start the Sursee line project this next year. With that we will begin design, engineering, and procurement for system changes necessary to integrate the feed from the switching station. We also want to update software to be able to integrate data from meter reading, thus giving us the ability to be proactive. We have also applied for a grid resistance grant, which will pay for an employee for three years and a five-year software license.

This year we added the facility maintenance department, which not only services vehicles, but also has extended hands out to assist with buildings and equipment within other departments citywide. In this next year, we are going to install a pit cover for staff safety. The CAT generators are due for their preventative maintenance oil changes. IMEA is increasing the credit we are receiving because the value of the generators is increasing. We will continue with pole inspections to identify "bad" poles and replace them as necessary in the system. If you see a pole next to another pole, it is because we are waiting, and

have to wait for other vendors such as Charter and Frontier, to remove their equipment from those old poles.

Other capital items in the budget for electric distribution include replacing the aging Digger Derrick; replacing relays at Northtown Substation; and, rebuilding the Poplar Street substation. We are still evaluating options for that. Last year, we had some evaluation of extending life of transformers by painting the outside of transformers. We will continue with paint maintenance of transformers at the power plant substation. While we have our own tree-trimming crews, we plan to contract out about five miles of tree trimming in the Sun Streets area, due to fences and other things that make it difficult to get into right-of-way areas.

#### *Fiber to the Premises*

Jordan Bauer reported we completed fiber construction this last year; however, we will extend fiber to any new customers, including Aldi's and Wilken Development complexes. We do have costs budgeted for new switches due to 5G conversions. These new units are more reliable. We have also budgeted for replacement of any damaged lines due to squirrels or others.

#### Miscellaneous / Library

Finance Director Reanna Ohren reported there are not many capital expenditures under the Cemetery Fund and Cemetery Board of Managers. She noted we did purchase the columbarium for the cemetery. The budget for the Solid Waste Fund, Police Pension, IMRF, Insurance Fund, and Audit Fund are found here. Expenditures for next year are budgeted based on contractual and other established obligations for these funds. The library has budgeted to replace the last of their four HVAC units this year.

Director Ohren pointed out that on Page 188 there is a Debt Overview Summary, with detail that follows.

Councilwoman Bellm stated that she likes the format of report, which is new this year. It is a lot easier to read. I like doing comparisons of year-to-year. All the directors made very good presentations. Mayor Hemann stated, having sat through these budget meetings, I find it very enlightening. Director Cook expressed I think all of us Directors are very proud to have you participate in this project and give of your time to do that. Director Ohren explained at the second meeting in April we will do amendments to current budget and request the council's approval. The budget must be approved and submitted before May 1. City Manager Conrad pointed out this is the time to ask any questions or express any concerns. Councilman Klaus asked can we predict tax increases. City Manager Conrad responded not entirely, because third parties pass through some of those expenses. Police Pension, for example, we did not get until November. We try not to impede on school district with property tax. Police Pension and IMRF are moving targets because their investments may change. Currently, Police Pension is about 70% funded. IMRF is more of a maintenance. The General Fund covers all services: Parks & Rec, Public Safety, IMRF and Police Pension. We are working through regulation of when fees for credit card and debit card fee charges may be passed along and how to implement that. Director Ohren reported if something is paid using credit card, the fee charged or a portion of those charges may be passed along. If paid by ACH or debit card there are no fees.

## **REPORTS**

Accepting Expenditures Report #1310 for February 28, 2026 through March 13, 2026 –  
Councilwoman Bellm made a motion to accept Expenditures Report #1310 for February 28, 2026 through March 13, 2026 as attached. Motion seconded by Councilman Napper. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried.

Councilwoman Bellm made a motion to temporarily adjourn this regular session to enter into executive session under the Illinois Open Meetings Act under the following exemption: 5 ILCS 120/2(c)(11) to discuss litigation. Motioned seconded by Councilman Napper. Roll Call Vote: Councilmembers Klaus, Sloan, Bellm, and Napper voted aye, none nay. Motion carried. Open Meeting temporarily adjourned at 8:09pm.

Mayor Hemann reconvened the Regular Session at 8:53pm. Council members Klaus, Sloan, Bellm and Napper were present. Others in attendance were City Attorney Warren, City Manager Conrad, Director Widman, Deputy City Clerk Flake, and City Clerk Bellm.

Councilwoman Bellm made a motion to adjourn. Motion seconded by Councilman Napper. All aye, none nay. Motion Carried. Meeting adjourned at 8:54pm.

Kevin B. Hemann, Mayor

Barbara Bellm, City Clerk