



# MEMO

## Department

To: Finance and Personnel  
From: Finance Department, Sr. Accountant/Deputy Treasurer Roehl  
Date: February 18, 2026  
Re: 2026-2027 Capital Borrowing Summary

### Background information:

In past years, we have borrowed for one year of projects at a time for roughly \$5 million and bond over 10 years. After discussion with the prior Finance Director and Bond Advisor, it was advised to borrow 2 years' worth of projects (\$10 million) and bond over a 12-year period. This would allow us to get in the same spot in terms of amortization and reduce the borrowing cost as next year there would be no capital borrowing needed. Estimated saving is around \$50,000. Indirect cost savings are the time and effort saved for next year as well. The current market rate is also favorable to allow this additional borrowing.

Please find attached a list of proposed projects from the 2026-2027 Capital Improvement Plan that will need funding via municipal bonding. Some projects will also receive funding from other sources, such as special assessments or grants. The tables on the following pages show the breakdown of project costs and funding sources. These projects are expected to be completed over the next one to three years. Some of these projects have been approved for bidding, while others will come back to the board for approval before doing so.

Note, the 2003 Pierce Fire Engine is in this round of borrowing at \$1.3 million. This projected to be delivered in 2028. The complete list of projects will be backed by General Obligation (GO) bonds. The City pays roughly \$5 million in debt services annually, so this round of borrowing will keep the debt service needs stable as it relates to the tax rate. Also, in this round of borrowing, they have a bond for the Storm projects. We are borrowing for the next three years of projects to reduce the bond issuance cost.

Finally, we are not going to the market for the Sanitary bonds. We borrowed in 2025 for 3 years of Sanitary projects.

City staff is currently preparing for the rating calls, document preparations, and reporting required for the debt issues. Pending approval, the City plans to issue the bonds in March or April 2026.

**Strategic Plan:**

Most of these projects are normal operational expenses of maintaining the city infrastructure and operational services.

**Budget:** The borrowing won't have a direct effect on the budget this year. However, we will structure the repayment of this issue to level off the debt service for future budget cycles the best way possible to avoid a significant increase in the debt service need that would spike the tax rate.

**Staff Recommended Action:**

Authorize the Sr. Accountant/Deputy Treasurer to proceed with the bonding procedures that will obtain the necessary funds to support the projects listed in the 2026-2027 Capital Improvement Plan as well as the Storm project list.

**CITY OF KAUKAUNA**

**CAPITAL PROJECTS 2026-2027 GENERAL OBLIGATION BORROWING**

| YEAR        | Fund                       | CLASSIFICATIONS/<br>DESCRIPTIONS                      | PROJECT<br>TOTAL    | GENERAL<br>OBLIGATION<br>BORROWING | SPECIAL<br>ASSESSMENT |
|-------------|----------------------------|---|---------------------|------------------------------------|-----------------------|
| <b>2026</b> |                            | <b>EQUIPMENT</b>                                      |                     |                                    |                       |
|             | 421 - Equipment            | Replace 2003 Pierce Fire Engine                       | \$1,250,000         | \$1,250,000                        |                       |
|             | 421 - Equipment            | Replace 2011 John Deere Gator (Keep 118 add new unit) | \$35,000            | \$35,000                           |                       |
|             | 421 - Equipment            | Replace 2001 Snow Go Snow Blower                      | \$250,000           | \$250,000                          |                       |
|             | 421 - Equipment            | Replace 2014 F350 4x4 Dump (Truck 8)                  | \$70,000            | \$70,000                           |                       |
|             | 421 - Equipment            | Replace 2012 GMC Sierra (Truck 11)                    | \$45,000            | \$45,000                           |                       |
|             | 421 - Equipment            | Extrication Equipment - Combination Tool (Fire)       | \$14,500            | \$14,500                           |                       |
| <b>2026</b> |                            | <b>PARK &amp; POOL IMPROVEMENTS</b>                   |                     |                                    |                       |
|             | 422- Parks and Pools       | Kakalin Trail Extension (TIF 12)                      | \$50,000            |                                    |                       |
|             | 422- Parks and Pools       | 1000 Islands Nature Center Entrance Way Accessibility | \$65,000            | \$65,000                           |                       |
|             | 422- Parks and Pools       | Pool Coating/Joint Sealing/Surface Grinding (phase 1) | \$100,000           | \$100,000                          |                       |
| <b>2026</b> |                            | <b>STREET PAVING</b>                                  |                     |                                    |                       |
|             |                            | <b>New Concrete Streets</b>                           |                     |                                    |                       |
|             | 420 - Streets and Sidewalk | Bens Way & Setter Drive                               | \$600,000           | \$300,000                          | \$300,000             |
|             |                            | <b>Reconstruction</b>                                 |                     |                                    |                       |
|             | 420 - Streets and Sidewalk | 9th Street (Brill To Crooks)                          | \$2,000,000         | \$1,100,000                        | \$900,000             |
|             | 420 - Streets and Sidewalk | Brill Street (7th to 9th)                             | \$400,000           | \$250,000                          | \$150,000             |
|             | 420 - Streets and Sidewalk | MSB and Third Street Parking Lots                     | \$350,000           | \$350,000                          |                       |
|             | 420 - Streets and Sidewalk | Washington, Florence, Plank, Lower Thilmany           | \$1,300,000         | \$650,000                          | \$650,000             |
|             | 420 - Streets and Sidewalk | Alley Paving  | \$450,000           | \$225,000                          | \$225,000             |
| <b>2026</b> |                            | <b>SIDEWALKS</b>                                      |                     |                                    |                       |
|             | 420 - Streets and Sidewalk | Replace Defective Walks                               | \$225,000           | \$75,000                           | \$150,000             |
| <b>2026</b> |                            | <b>MISCELLANEOUS</b>                                  |                     |                                    |                       |
|             | 423 - Buildings and Misc   | Downtown Dumpster Corrals                             | \$50,000            | \$50,000                           |                       |
|             | 423 - Buildings and Misc   | CJIS Compliance                                       | \$40,000            | \$40,000                           |                       |
|             | 423 - Buildings and Misc   | Replace Large Number of Workstations(Windows 10 EOL)  | \$35,000            | \$35,000                           |                       |
|             | 423 - Buildings and Misc   | Controller Update CTH Q/CE                            | \$25,000            | \$25,000                           |                       |
|             |                            | <b>TOTAL</b>  | <b>\$14,089,500</b> | <b>\$4,929,500</b>                 | <b>\$2,916,000</b>    |

**CITY OF KAUKAUNA**

**CAPITAL PROJECTS 2026-2027 GENERAL OBLIGATION BORROWING**

| YEAR        | Fund                       | CLASSIFICATIONS/<br>DESCRIPTIONS                                  | PROJECT<br>TOTAL    | GENERAL<br>OBLIGATION<br>BORROWING | SPECIAL<br>ASSESSMENT |
|-------------|----------------------------|---|---------------------|------------------------------------|-----------------------|
| <b>2027</b> |                            | <b>EQUIPMENT</b>  |                     |                                    |                       |
|             | 421 - Equipment            | Replace 2014 International Tandem (Truck 215)                     | \$325,000           | \$325,000                          |                       |
|             | 421 - Equipment            | Replace 2012 Volvo Loader L90C (Tractor 22) - Refurbish           | \$50,000            | \$50,000                           |                       |
|             | 421 - Equipment            | Replace 2015 Zociac Rescue Boat                                   | \$7,500             | \$7,500                            |                       |
|             | 421 - Equipment            | Replace Existing Cutter and Spreader Extrication Equipment (Fire) | \$45,000            | \$45,000                           |                       |
|             | 421 - Equipment            |   |                     |                                    |                       |
| <b>2027</b> |                            | <b>PARK &amp; POOL IMPROVEMENTS</b>                               |                     |                                    |                       |
|             | 422- Parks and Pools       | Dog Park updates/upgrades (trees, restrooms, wash station)        | \$350,000           | \$175,000                          |                       |
|             | 422- Parks and Pools       | Pool striping and repairs (phase 2)                               | \$85,000            | \$85,000                           |                       |
|             | 422- Parks and Pools       | Inside the Park Place - Sports Facility & Park                    | \$2,000,000         | \$800,000                          |                       |
|             | 422- Parks and Pools       | 1000 Islands Nature Center Security Cameras                       | \$15,000            | \$15,000                           |                       |
| <b>2027</b> |                            | <b>STREET PAVING</b>  |                     |                                    |                       |
|             |                            | <b>New Concrete Streets</b>                                       |                     |                                    |                       |
|             | 420 - Streets and Sidewalk | Bluestem 3/4 & West (Haas-White Birch)                            | \$1,100,000         | \$500,000                          | \$600,000             |
|             | 420 - Streets and Sidewalk | Ridgecrest Drive, Nikki Lane                                      | \$717,000           | \$250,000                          | \$467,000             |
|             |                            | <b>Reconstruction</b>   | \$0                 |                                    |                       |
|             | 420 - Streets and Sidewalk | Kenneth Avenue Area Reconstruction Phase 2 (2022 Utility Work)    | \$3,000,000         | \$1,500,000                        | \$1,500,000           |
|             | 420 - Streets and Sidewalk | Street Patch Program  | \$200,000           | \$150,000                          |                       |
|             | 420 - Streets and Sidewalk | Alley Paving (Quinney-Metoxen)                                    | \$400,000           | \$200,000                          | \$200,000             |
|             | 420 - Streets and Sidewalk | Haas Road - Pulverize, Shape, Pave w/ paved shoulders             | \$350,000           | \$300,000                          |                       |
|             | 420 - Streets and Sidewalk | 3rd Street & Kenneth Avenue (3rd to 10th) Design                  | \$1,100,000         | \$100,000                          |                       |
| <b>2027</b> |                            | <b>SIDEWALKS</b>  |                     |                                    |                       |
|             | 420 - Streets and Sidewalk | Sidewalk/Trail along Crooks Ave - STH 55 - CE to Ridgecrest       | \$600,000           | \$400,000                          | \$200,000             |
| <b>2027</b> |                            | <b>MISCELLANEOUS</b>  |                     |                                    |                       |
|             | 423 - Buildings and Misc   | Windows at 1000 Island Center                                     | \$80,000            | \$80,000                           |                       |
|             | 423 - Buildings and Misc   | New Host  | \$40,000            | \$40,000                           |                       |
|             | 423 - Buildings and Misc   | Downtown Dumpster Corrals   | \$50,000            | \$50,000                           |                       |
|             |                            | <b>TOTAL</b>  | <b>\$12,549,500</b> | <b>\$5,072,500</b>                 | <b>\$3,267,000</b>    |

**CITY OF KAUKAUNA**

**CAPITAL PROJECTS 2026-2027 GENERAL OBLIGATION BORROWING**

| YEAR | Fund | CLASSIFICATIONS/<br>DESCRIPTIONS | PROJECT<br>TOTAL | GENERAL<br>OBLIGATION<br>BORROWING | SPECIAL<br>ASSESSMENT |
|------|------|----------------------------------|------------------|------------------------------------|-----------------------|
|------|------|----------------------------------|------------------|------------------------------------|-----------------------|

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***Borrowing by Fund***

| Fund                       | Amount              |
|----------------------------|---------------------|
| 420 - Streets and Sidewalk | \$6,350,000         |
| 421 - Equipment            | \$2,092,000         |
| 422- Parks and Pools       | \$1,240,000         |
| 423 - Buildings and Misc   | \$320,000           |
| <b>Grand Total</b>         | <b>\$10,002,000</b> |

**CITY OF KAUKAUNA**  
**STORM CAPITAL PROJECTS**

| YEAR        | Fund        | CLASSIFICATIONS/<br>DESCRIPTIONS                               | PROJECT<br>TOTAL | STORM<br>WATER<br>UTILITY | SPECIAL<br>ASSESSMENT |
|-------------|-------------|--|------------------|---------------------------|-----------------------|
| <b>2026</b> |             | <b>STORM SEWER</b>   |                  |                           |                       |
|             | 601 - Storm | Washington, Florence, Plank                                    | \$325,000        | \$250,000                 | \$75,000              |
|             | 601 - Storm | Ninth Street - east of Kenneth                                 | \$200,000        | \$135,000                 | \$65,000              |
|             | 601 - Storm | Brill Street (7th to 9th)                                      | \$120,000        | \$99,000                  | \$21,000              |
|             | 601 - Storm | Tower Drive Pump Replacement                                   | \$200,000        | \$200,000                 |                       |
|             | 601 - Storm | 2016 Elgin HE Street Sweeper (#26)                             | \$350,000        | \$350,000                 |                       |
|             | 601 - Storm | Erosion Control / Remediation - Shoreline/Outfalls/Streambank  | \$35,000         | \$35,000                  |                       |
| <b>2027</b> |             | <b>STORM SEWER</b>   |                  |                           |                       |
|             | 601 - Storm | Horseshoe Park Pond with Enhanced Settling                     | \$250,000        | \$250,000                 |                       |
|             | 601 - Storm | Moon Ridge Court Pond with Enhanced Settling                   | \$40,000         | \$40,000                  |                       |
|             | 601 - Storm | Kenneth Avenue Area Reconstruction Phase 2 (2022 Utility Work) | \$400,000        | \$300,000                 | \$100,000             |
|             | 601 - Storm | Pond/Stream Bank Restoration                                   | \$45,000         | \$45,000                  |                       |
| <b>2028</b> |             | <b>STORM SEWER</b>   |                  |                           |                       |
|             | 601 - Storm | Kenneth Avenue Area Reconstruction Phase 3 (2023 Utility Work) | \$400,000        | \$300,000                 | \$100,000             |
|             | 601 - Storm | River Street/Parking Area                                      | \$100,000        | \$100,000                 |                       |
|             |             |  | <b>Total</b>     | <b>\$2,104,000</b>        |                       |