



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/ DESCRIPTIONS	PROJECT TOTAL	GENERAL OBLIGATION BORROWING	SPECIAL ASSESSMENT BORROWING
2026	EQUIPMENT				
	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	
2026	PARK & POOL IMPROVEMENTS				
	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	
2026	STREET PAVING				
	New Concrete Streets				
	420 - Streets and Sidewalk	Bens Way & Setter Drive	\$600,000	\$300,000	\$300,000
	Reconstruction				
	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
2026	SIDEWALKS				
	420 - Streets and Sidewalk	Replace Defective Walks	\$225,000	\$75,000	\$150,000
2026	MISCELLANEOUS				
	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	
	TOTAL			\$14,089,500	\$4,929,500
					\$2,916,000

CITY OF KAUKAUNA

CAPITAL PROJECTS 2026-2027 GENERAL OBLIGATION BORROWING

YEAR	FUND	CLASSIFICATIONS/ DESCRIPTIONS	PROJECT TOTAL	GENERAL OBLIGATION BORROWING	SPECIAL ASSESSMENT BORROWING
2027	EQUIPMENT				
	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 Zodiac Rescue Boat	\$7,500	\$7,500	
	421 - Equipment	Replace Existing Cutter and Spreader Extrication Equipment (Fire)	\$45,000	\$45,000	
2027	PARK & POOL IMPROVEMENTS				
	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	
2027	STREET PAVING				
	New Concrete Streets				
	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
	Reconstruction				
	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	
2027	SIDEWALKS				
	420 - Streets and Sidewalk	Sidewalk/Trail along Crooks Ave - STH 55 - CE to Ridgecrest	\$600,000	\$400,000	\$200,000
2027	MISCELLANEOUS				
	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	
TOTAL			\$12,549,500	\$5,072,500	\$3,267,000

CITY OF KAUKAUNA
CAPITAL PROJECTS 2026-2027 GENERAL OBLIGATION BORROWING

YEAR	Fund	CLASSIFICATIONS/ DESCRIPTIONS	PROJECT TOTAL	GENERAL OBLIGATION	SPECIAL ASSESSMENT BORROWING
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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
Grand Total	\$10,002,000

CITY OF KAUKAUNA
STORM CAPITAL PROJECTS

YEAR	Fund	CLASSIFICATIONS/ DESCRIPTIONS	PROJECT TOTAL	STORM WATER UTILITY	SPECIAL ASSESSMENT
2026		STORM SEWER			
	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	
2027		STORM SEWER			
	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	
2028		STORM SEWER			
	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	
			Total	\$2,104,000	