



Report to CLIPP

Item Name: Upcoming Road Project Estimated Costs

Meeting Date: February 2, 2026

Referring Body:

Committee Contact:

Staff Contact: John Jacobs

Report Prepared by: John Jacobs

AGENDA ITEM: Upcoming Road Project Estimated Costs

OBJECTIVE(S): To get direction from CLIPP on possible upcoming road projects.

HISTORY/BACKGROUND: In the 2026 budget, approved in November 2025, staff included a 5-year CIP with staff recommended road projects. In January 2026 we received firm estimates on what the projects could potentially cost. The roads listed below are in order of importance according to Village staff.

#1 - Maple Ridge Road (CTH X to Kronenwetter Dr.) 2.36 miles - \$2,890,000

#2 – Peplin Road (STH 153 to South Rd.) 5,280 feet - \$522,000

IF borrowed in 2028: Total CIP Costs = \$3,412,000

#3 – Martin Road (Creek Rd to Village Limits) 4.12 miles - \$5,000,000

IF borrowed in 2029: Total CIP Costs = \$5,000,000

#4 – South Road (Village Limits to Wisz Rd) 2,689 feet - \$234,000

#5 – Forest Road (CTH X to Autumn Rd) 4,230 feet - \$587,000

#6 – Autumn Road (Forest Rd to Trunk Rd) 2,600 feet - \$436,000

IF borrowed in 2030: Total CIP Costs = \$1,257,000

Referring to the attachment, the pink column refers to the current annual debt service payment (tax levy) schedule.

There are significant drops in the debt service payments in the following years:

- 2029 – drop of \$226,850
- 2030 – additional drop of \$165,450
- 2033 – additional drop of \$61,553
- 2034 – additional drop of \$317,975

Therefore, my QUESTION for the CLIPP Committee, APC Committee, and Village Board would be:

- **Do you want to maintain the PRESENT debt service tax levy at the same 2026 amount for future years, with potential \$5,000 - \$10,000 increases in the Debt Service tax levy beginning in year 2030? This would mean “deferring” any street CIP projects until the 2028 budget year.**

If the answer is “YES”, then the hypothetical debt service payment schedules for the 2028-2030 CIP Street Projects could be undertaken as shown.

The orange column shows what impact the new (3) borrowing issues could make to the Cumulative Hypothetical Annual Debt Service Tax Levy in the years of 2026-2048.

A couple important things to know about this brief summary analysis:

- 1) The Village would switch to borrowing 20-year General Obligation Bonds, instead of 10-year G.O. Notes. This would add about 10 years onto the debt amortization schedule, and require more interest costs to be paid annually.
- 2) I am presently using a 4% interest rate in my calculations.
- 3) The Village would be unable to issue 10-year debt, if the Village does not want to significantly increase the overall Annual Debt Service Tax Levy amount above the \$780,000-\$800,000 level.
- 4) This analysis only includes CIP Street Projects in it at this time. Costs for major repairs to the Village Municipal Center and for any major capital equipment (including the Fire Department needs starting in 2029-2030) not included in these future capital borrowing amounts at all.
- 5) I have estimated that any annual debt issuance costs would add \$50,000-\$75,000 to each debt borrowing issue.
- 6) The blue shaded area would represent the 1st 10 years of each debt issuance.

If the committees or Village Board would wish to start construction of any Street projects sooner than 2028, that would be possible, of course, because we are far below our maximum General Obligation Debt Limit as of 12/31/2025. However, it would mean that the Village's tax rate for Debt Service would need to increase upward beginning in 2027 and for future years.

Bring your questions to the meeting on Monday night.

ATTACHMENTS: Spreadsheet – Current & Hypothetical Future Debt Service Payments for Tax Levy

VILLAGE OF KRONENWETTER

Schedule of Current Debt Service Fund - Tax Levy & Projected Future Debt Service Tax Levy

Prepared as of 1/29/2026

EXISTING DEBT SERVICE PAYMENTS - TAX LEVY

2018 G.O. Notes	2021 G.O. Bonds	2023 Fire Truck Note	2024B G.O. Notes	CURRENT ANNUAL DEBT SERVICE FUND (TAX LEVY)	Annual Increase or Decrease in Debt Service Tax Levy	Hypothetical 2028 G.O. Notes Issued after 7/1/2028	Hypothetical 2029 G.O. Notes Issued after 7/1/2029	Hypothetical 2030 G.O. Notes Issued after 7/1/2030	CUMULATIVE Hypothetical Annual Debt Service Tax Levy
2026 \$ 167,075.00	\$ 477,900.00	\$ 90,027.77	\$ 63,000.00	\$ 798,002.77	\$ -	\$ -	\$ -	\$ -	\$ 798,002.77
2027 \$ 167,350.00	\$ 455,600.00	\$ 90,027.77	\$ 67,875.00	\$ 780,852.77	\$ (17,150.00)	\$ -	\$ -	\$ -	\$ 780,852.77
2028 \$ 167,475.00	\$ 433,500.00	\$ 90,027.77	\$ 87,125.00	\$ 778,127.77	\$ (2,725.00)	\$ -	\$ -	\$ -	\$ 778,127.77
2029 \$ -	\$ -	\$ 90,027.77	\$ 461,250.00	\$ 551,277.77	\$ (226,850.00)	\$ 230,000.00	\$ -	\$ -	\$ 781,277.77
2030 \$ -	\$ -	\$ 90,027.77	\$ 295,800.00	\$ 385,827.77	\$ (165,450.00)	\$ 230,000.00	\$ 170,000.00	\$ -	\$ 785,827.77
2031 \$ -	\$ -	\$ 90,027.77	\$ 290,300.00	\$ 380,327.77	\$ (5,500.00)	\$ 230,000.00	\$ 170,000.00	\$ 10,000.00	\$ 790,327.77
2032 \$ -	\$ -	\$ 90,027.77	\$ 289,500.00	\$ 379,527.77	\$ (800.00)	\$ 230,000.00	\$ 170,000.00	\$ 20,000.00	\$ 799,527.77
2033 \$ -	\$ -	\$ 88,474.51	\$ 229,500.00	\$ 317,974.51	\$ (61,553.26)	\$ 230,000.00	\$ 170,000.00	\$ 90,000.00	\$ 807,974.51
2034 \$ -	\$ -	\$ -	\$ -	\$ -	\$ (317,974.51)	\$ 270,000.00	\$ 450,000.00	\$ 90,000.00	\$ 810,000.00
2035 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 460,000.00	\$ 90,000.00	\$ 820,000.00
2036 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 470,000.00	\$ 90,000.00	\$ 830,000.00
2037 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 480,000.00	\$ 90,000.00	\$ 840,000.00
2038 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 490,000.00	\$ 90,000.00	\$ 850,000.00
2039 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 500,000.00	\$ 90,000.00	\$ 860,000.00
2040 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 510,000.00	\$ 90,000.00	\$ 870,000.00
2041 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 520,000.00	\$ 90,000.00	\$ 880,000.00
2042 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 530,000.00	\$ 90,000.00	\$ 890,000.00
2043 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 540,000.00	\$ 90,000.00	\$ 900,000.00
2044 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 550,000.00	\$ 90,000.00	\$ 910,000.00
2045 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 560,000.00	\$ 90,000.00	\$ 920,000.00
2046 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 570,000.00	\$ 90,000.00	\$ 930,000.00
2047 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 270,000.00	\$ 306,585.71	\$ 363,414.29	\$ 940,000.00
2048 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 260,544.82	\$ -	\$ 432,244.89	\$ 692,789.71
2049 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 501,900.00	\$ 1,367,000.00	\$ 718,668.90	\$ 1,784,350.00	\$ 4,371,918.90	\$ -	\$ 5,190,544.82	\$ 7,616,585.71	\$ 2,085,659.18	\$ 19,264,708.61

Name of Debt Obligation

CIP Street Projects:

Maple Ridge Road	\$ 2,890,000		
Pepin Road	\$ 522,000		
Martin Road		\$ 5,000,000	
South Road			\$ 234,000
Forest Road			\$ 587,000
Autumn Road			\$ 436,000
Est. Issuance Costs	\$ 75,000		\$ 50,000
Est. Debt Issuance Amount	\$ 3,487,000	\$ 5,075,000	\$ 1,307,000