

VILLAGE OF MARATHON CITY 2025-2029 CAPITAL IMPROVEMENT PLAN



July 2025

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Marathon City is committed to supporting long-term infrastructure improvements while considering service standards and operating needs. We aim to maintain existing facilities properly without passing deferred maintenance expenses to future generations. We ensure the replacement of roadways, sidewalks, buildings, vehicles, and utilities as needed to uphold public safety and well-being, while taking into account the community's ability to afford utility rates, fees, and taxes.



Acknowledgement

This document was prepared by a team of Village Staff members and the Village Board who worked diligently to provide a meaningful and useful document for the benefit of the citizens, business community, and Village of Marathon City. The CIP protects the Village's investments in its Capital assets and sets a long-term vision for the community.

The following individuals are recognized for their significant contribution in the CIP process:

Board of Trustees

Kurt Handrick Jr.
Village President

Mark Ahrens
Trustee

Alex Cabrera
Trustee

Kevin Sorenson
Trustee

Jeff Lawrence
Trustee

Keith Paul
Trustee

Barb Parlier
Trustee

Executive Team

Steven Cherek
Village Administrator

Cassie Lang
Village Clerk

Ken Bloom
Director of Public Works

Tyler Geske
Police Chief

Darrin Hall
Fire Chief

Chris Trice
Streets Superintendent

Utility Commission

Andrew Berens
Chairman

Bruce Bohr
Member

Kurt Handrick, JR
Member

Michael Telford
Member

Dan Seiler
Member

Special thanks to Connie Ruplinger, Former Trustee, for assisting with CIP



Executive Summary

To: Village Board Members and Village Residents

From: Steven Cherek, Village Administrator

RE: 2025-2029 Capital Improvement Plan

Date: 06/30/2025

Dear Village Board Members and Village Residents,

Please find attached the Village of Marathon City's 2025–2029 Capital Improvement Plan (CIP). This \$7.2 million, five-year plan, \$6.5 million two-year funding cycle (25-27), demonstrates our ongoing commitment to enhancing Village services and infrastructure. This CIP is a financial planning and management tool that outlines the replacement or repair of public facilities, infrastructure, and equipment over multiple years.

It includes three major projects, a \$924,097 North Industrial Park project from the Tax Increment District (TID) development plan, a \$674,213 Cured-in-place Pipe lining project of aged clay sanitary sewer mains, and a potential three-year, \$3.8 million replacement of municipal well No. 1 from the Water Utility Department. This plan is developed with input from the Village Board, Utility Commission, community members, staff, and external partners. It serves as a forecasting tool that directly guides all physical improvements and equipment investments in the community.

The comprehensive CIP (Capital Improvement Plan) process is updated and carried out biennially, every odd-numbered year, beginning in January. During this time, Administration and department staff review ongoing and future proposed projects from the previous two-year CIP funding cycle. New Village project needs are assessed, along with the proposed projects for the next two years based on the previously approved CIP Plan and current Village financial abilities.



Following this internal review, a new draft CIP is prepared and sent to the Village Board and the public by the Village Administrator. The Village Board reviews the draft to ensure it aligns with the Village's strategic plan and financial policies. Ongoing projects are reassessed for inclusion, and community input significantly influences project proposals, with suggestions from both residents and Utility Commission members often incorporated into the program.

After the project review and financial analysis are completed, the Village Board approves funding for the next two-year project set and adopts the CIP by resolution. Remaining projects not placed within the five-year CIP are reviewed and an estimated expected future year assigned and placed in the 5 to 10+ year part of the plan.

Time Line for 2025-2029 CIP

January 1, 2025: Village Administrator and Department Staff review projects based on Village needs

April 2, 2025: Draft CIP sent to the Village Board

April 15, 2025: Village Board takes a tour of various proposed Capital projects

April 23, 2025: Village Board returns rating sheet.

May 7, 2025: Village Board reviews CIP scoring

June 4, 2025: Village Board tour of Village Street equipment and discussing financing plan options

June 19, 2025: Village Board review financing - refunding plan

July 2, 2025: Village Board approve CIP and financing plan and adopt initial resolutions

July 30, 2025: Distribute Official Statement of 2025 GO Note/Bond

August 6, 2025: Date of sale of Village Refinancing Plan and new 2025 GO Note/Bond

August 27, 2025: Estimated closing date

Every two years starting in 2027 – Village Board approves funding for next two-year project set and approves a new updated five-year CIP by resolution.

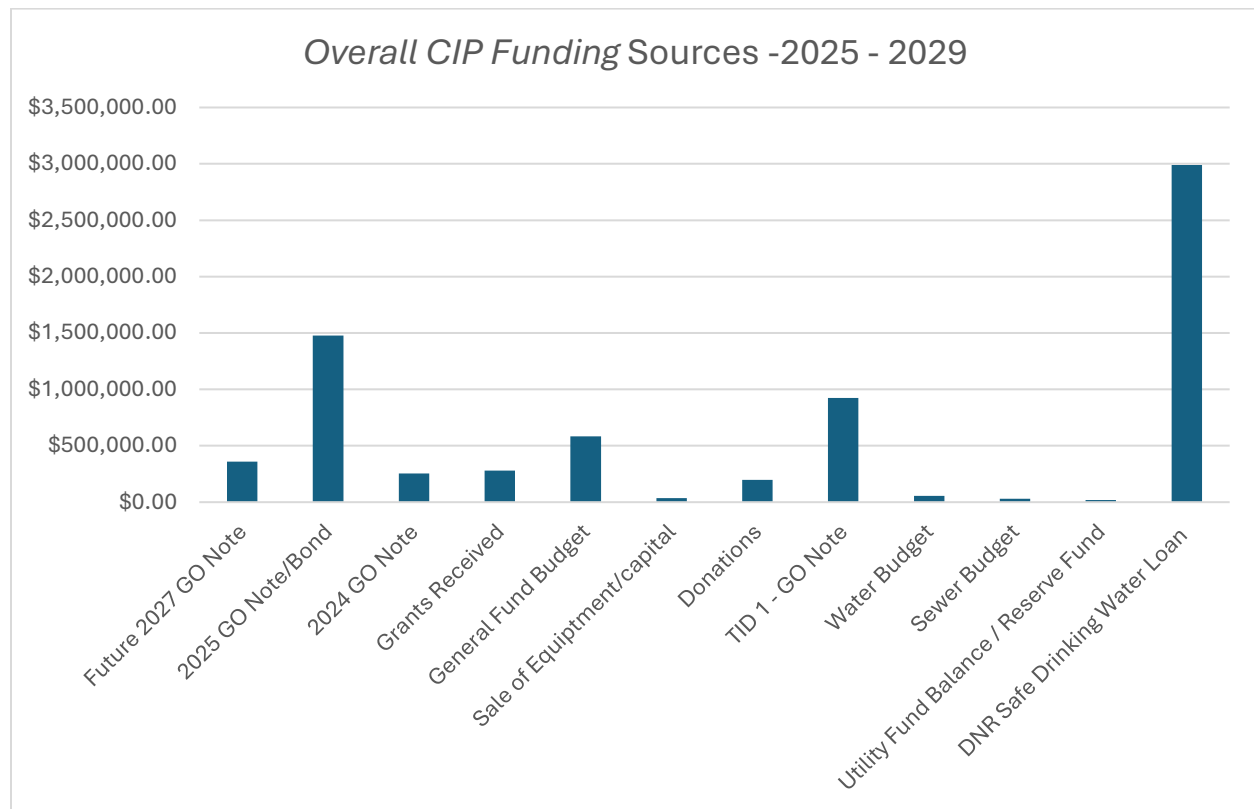
Major Categories and Financing

The Village concentrates all capital projects into eight categories, covering physical structures in Buildings & Grounds, critical equipment in the Vehicle, Operations & Maintenance, and road reconstruction, maintenance and repairs in Public Works. This categorical approach on large projects helps to outline expected funding needs in a multi-year strategy. The Village usually funds major capital projects that require government borrowing in two-year cycles, with the official borrowing typically happening in odd years matching up with an updated and revised Village CIP plan.

Department	FY 25	FY 26	FY 27	FY 28	FY 29	Total
Building & Grounds	\$20,000					\$20,000
Park, Rec & Forestry	\$650,370					\$650,370
Public Works	\$230,406	\$125,500	\$349,296	\$134,590	\$120,000	\$959,792
Tax Increment Districts (TID)	\$924,097					\$924,097
Public Safety				\$65,000		\$65,000
Water Utility	\$130,000		\$3,030,000			\$3,160,000
Sanitary Sewer utility		\$674,213				\$674,213
Vehicle, Operations & Maintenance (VMO)		\$378,000		\$314,500	\$60,000	\$752,500
Total	\$1,954,873	\$1,177,713	\$3,379,296	\$514,090	\$180,000	\$7,205,972

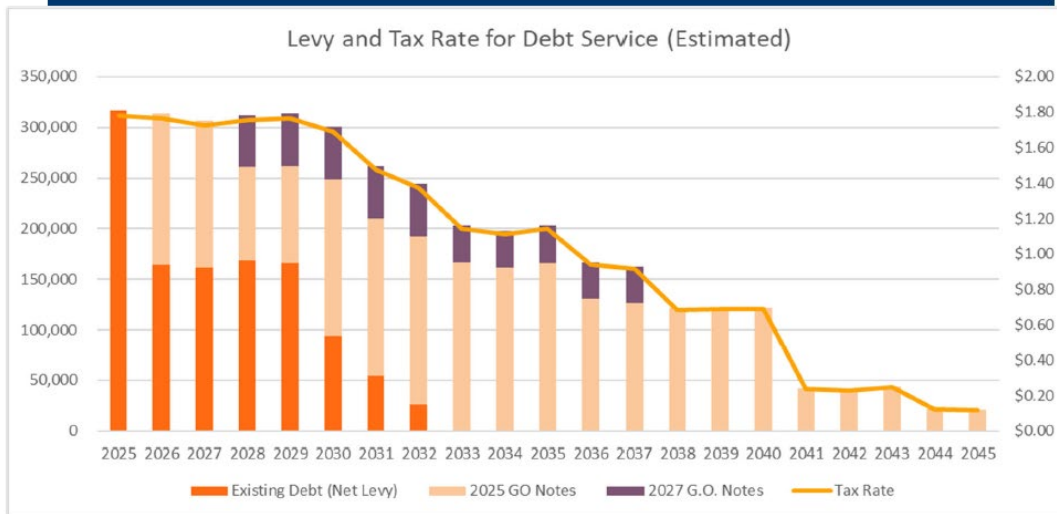
Capital Needs Per Year by Category in 2025-2029 CIP

The Village uses multiple funding sources to finance the \$7,205,972 CIP. A detailed breakdown of CIP revenue sources is shown in the chart below. Note: 2025 General Obligation borrowing measures along with the WI DNR Clean Water Loan are the primary funding source included for the \$6,511,882 two-year funding cycle approved in this CIP. The Future 2027 GO Note shown on the chart is for future forecasting and planning, this amount could change once the next CIP plan is revised in 2027.



By completing the Village 2025 – 2029 CIP plan, the Village was able to restructure its debt in a way that frees up budget capacity to self-fund up to \$120,000 a year in Public Works Street projects in the general fund along with freeing capacity in the Water Utility budget for new projects in the 2025-2027 two-year funding cycle without increasing water utility rates as long if the Village finds out that municipal well #1 does not need to be replaced by the end of 2025. The Village refinancing plan is discussed in more detail in this CIP plan under Village CIP Refinancing and New Debt attachments. The chart below shows the Village current debt, 2025-2027 proposed two-year funding project cycle, along with the new debt expected to be approved in the 2027-2029 CIP project funding cycle.

G.O. Promissory Notes, Series 2025A – Levy Supported



- Assumes the Village borrows for police and plow vehicles in 2027 - \$340,000 G.O. Note.
- Deferring principal increases total interest paid over the term of the Notes.



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As you can see from the chart above, the Village is well positioned at keeping the debt at a rate where the General Fund debt payments do not go above the current amount per year budgeted for principal & interest payments along with staying well below the max borrowing capacity of the Village. We are careful with keeping future capacity beyond 2030 for future large projects that will be needed.

What the CIP Accomplishes

If adopted and implemented by the Village Board, the Village of Marathon City will accomplish the following by the end of the two-year 2025–2027 funding cycle in this CIP:

- Create Marathon City's first Capital Improvement Plan
- Establish a maintenance cycle for Village roadways and related utility infrastructure
- Complete the TID 1 North Industrial Park TID project plan
- Allocate resources towards aging equipment needs
- Stop the \$300,000 to 380,000 yearly borrowing for Street projects, reduce reliance on debt, and refinancing to free up \$120,000 in the General Budget to be allocated toward street projects

What the CIP Does Not Accomplish

No community can complete every worthwhile project within a single CIP cycle. It is important to recognize the projects being deferred. Some of these projects may be incorporated later as the plan evolves or as new funding opportunities arise. These projects have been assigned tentative dates and placed in the 5- to 10+-year future project section of the plan. It should be noted that some projects may never be completed if future Village priorities change.

I respectfully present the 2025-2029 Capital Improvement Plan to the residents of Marathon City and the Village Board. The plan includes various charts and project plan sheets to aid in the final approval process. Our goal is to ensure that this thoroughly reviewed plan identifies all the projects that need to be addressed in the next five years. Once adopted, the CIP will serve as the foundation that the Administrator and staff fulfill projects approved CIP 2025-2027 funding cycle. The Village already invested in and will continue to invest in capital infrastructure to maintain Marathon City as a thriving, forward-moving, vibrant community.

Respectfully,

Steven A. Cherek

Village Administrator – Treasurer

Criteria for Evaluation of CIP Requests

The Management Team ranked the CIP based upon the criteria below. The Village Board is to rank the projects (A, B, C, or D). The CIP funded projects are those Village Board rated A and B.

Ratings Chart

GROUP A

Urgent, high priority projects that should be done if possible; a special effort should be made to find sufficient funding for all these projects.

GROUP B

High-priority projects to be done as funding becomes available.

GROUP C

Worthwhile projects if funding is available: can be deferred.

GROUP D

Low-priority: desirable, but not essential.

2025 - 2029 CIP Village Board Rating Sheet				
Project	Cost	Management Rating	Village Board Average Rating Score	Village Board Rating Category
2025 - 2027 Two-year funding cycle CIP Projects				
*Post Office Floor Replacement	\$20,000.00	A	4	A
*Veterans Park Sewer Line Replacement	\$43,000.00	A	2	C
*County Materials Sports Complex – Phase 1C	\$175,000.00	B	3	B
*County Materials Sports Complex – Phase 1A & 1B	\$432,369.81	B	3.25	B
*4th Street Sidewalk Expansion	\$170,406.00	A	3.25	B
*Water - Reservoir & Inspections	\$10,000.00	A	3.5	B
*North Business Park Expansion	\$924,097.00	A	3.5	B
Replacement of Municipal Well 1	\$2,990,000.00	A	3.75	B
*Water Tower – Maintenance Painting and Repairs	\$120,000.00	A	4	A
*Community Circle – Culvert Replacement	\$25,000.00	A	3	B
*Oak Street – 4th to 5th	\$15,000.00	A	3.25	B
*Sonnentag Road – Pine Street to Village’s West Boundary	\$20,000.00	A	3	B
Sanitary Sewer Main - Cured-in-place Pipe Lining	\$674,213.00	A	3.25	B
STH 107 - State Project 6360-05-05 Reconstruction	\$90,000.00	A	3.8	B
Street Overlays and Surface Treatments	\$35,500.00	A	3.4	B
1999 Street Sweeper Replacement	\$368,000.00	A	2.5	C
Market St – 4th to 8th Reconstruction	\$349,296.00	A	3	B
2027-2029 two-year funding cycle - To be reviewed with next CIP update (CIP 27-31)				
2012 Dodge Truck Replacement	\$49,500.00	C	1.75	D
4th Street - Thornapple to Pheasant	\$134,589.84	B	3	B
1996 International Plow-Dump Truck Replacement	\$265,000.00	A	2.25	C
2019 Dodge Durango Replacement	\$65,000.00	A	2.8	C
5th Street - Main St to Washington Street (part of Main to East St project due to self-funding)	\$120,000.00	B	3	B
1994 Stiner Utility Tractor	\$60,000.00	C	1.5	D
Projects Requiring Additional Funding or a Debt Levy Increase				
5th Spruce Street to Main Street	\$417,949.84	B	3.5	B
5th - Washington Street to Hickory St (part of Main to East St project due to self-funding)	\$60,000.00	B	3	B
5th - Chestnut Street to East Street (part of Main to East St project due to self-funding)	\$60,000.00	B	3	B
Water Plant Chemical Room Upgrade	\$91,000.00	A	2.4	C
Ordinance- Codification, Supplementation, and Online Hosting	\$32,334.00	A	2.6	C
Washington Street Reconstruction (6th St to 7th St)	\$260,755.00	A	3	B
2002 CAT Loader/Plow	\$380,000.00	C	1.75	D
Water Main Loop Project	\$927,725.00	B	2.6	C
Walnut / Maraview Dr (Culvert Replacement)	\$15,000.00	B	3	B
Spruce St - 4th to 5th	\$39,497.92	B	2.75	C
Washington Street – 2nd to 3rd	\$89,763.52	B	2.75	C
Chestnut Street - 6th to 7th	\$51,777.88	B	2.5	C

Hickory Street – 6th to 7th	\$89,615.68	B	2.5	C
Hickory Street – 1st to 2nd	\$54,445.16	B	2.5	C
Pine Street – 3rd to 4th	\$67,513.60	C	2	C
7th Street – Chestnut Street to Washington	\$197,520.40	C	2	C
6th Street – Washington Street to Hickory Street	\$93,216.82	C	2	C
Hemlock Street – 8th to 7th	\$103,882.24	C	2	C
Pine Street – 2nd North to Cul-De-Dac	\$40,823.06	C	1.5	D
1990 Idaho Norland loader Mounted Snow Blower	\$175,000.00	C	1.5	D
Drainage Retention Pond - Culvert – 4th Street	\$30,000.00	D	1	D
Total if all Projects were done	\$10,433,791.77			

2025-2027 TWO-YEAR FUNDING CYCLE OF CIP - *Top Priority Projects started and approved prior to this CIP.																
Year	PROJECT LIMITS	Department	2027 GO Note	2025 GO Note/Bond	2024 GO Note	Grants funds	General Fund Budget	Sale of Equipment/ capital	Donations	TID 1 - GO Note	Water Budget	Sewer Budget	Utility Fund Balance / Reserve Fund	DNR Safe Drinking Water Loan (low interest rate)	Total Project Cost	Notes
2025	*Post Office Floor Replacement	Building & Grounds					\$20,000.00								\$20,000.00	
2025	*Veterans Park Sewer Line Replacement	Parks, Rec & Forestry					\$21,500.00		\$21,500.00						\$43,000.00	
2025	*County Materials Sports Complex – Phase 1C	Parks, Rec & Forestry							\$175,000.00						\$175,000.00	
2025	*County Materials Sports Complex – Phase 1A & 1B	Parks, Rec & Forestry		\$258,282.00	\$174,087.81										\$432,369.81	
2025	*4th Street Sidewalk Expansion	Public Works			\$79,188.13	\$91,217.87									\$170,406.00	
2025	*Water - Reservoir & Inspections	Water Utility									\$10,000.00				\$10,000.00	
2025	*North Business Park Expansion	Tax Increment Districts (TID)								\$924,097.00					\$924,097.00	Contract: Blacktop, Lights, Menzner-Utilities (3-phase Power, Gas, Communications)
2028	Replacement of Municipal Well 1	Water Utility									\$40,000.00			\$2,990,000.00	\$3,030,000.00	July 2025 - Municipal well to verify if well can be rehabilitated. If yes, project moves back 10 years.
2025	*Water Tower – Maintenance Painting and Repairs	Water Utility		\$120,000.00											\$120,000.00	
2025	*Community Circle – Culvert Replacement	Public Works					\$25,000.00								\$25,000.00	
2025	*Oak Street – 4th to 5th	Public Works					\$15,000.00								\$15,000.00	
2025	*Sonnentag Road – Pine Street to Village’s West Boundary	Public Works					\$20,000.00								\$20,000.00	
2026	Sanitary Sewer Main - Cured-in-place Pipe Lining	Sanitary Sewer Utility		\$674,213.00											\$674,213.00	7.5 Sewer Rate Increase, Adds 50 Years use life on pipes.
2026	STH 107 - State Project 6360-05-05 Reconstruction	Public Works					\$84,500.00				\$5,500.00				\$90,000.00	
2026	Street Overlays and Surface Treatments	Public Works					\$35,500.00								\$35,500.00	
2026	1999 Street Sweeper Replacement	VOM		\$370,000.00				\$8,000.00							\$378,000.00	Pending Grant approval
2027	Market St – 4th to 8th Reconstruction	Public Works		\$54,648.00		\$174,648.00	\$120,000.00								\$349,296.00	
Total Cost			\$0.00	\$1,477,143.00	\$253,275.94	\$265,865.87	\$341,500.00	\$8,000.00	\$196,500.00	\$924,097.00	\$55,500.00	\$0.00	\$0.00	\$2,990,000.00	\$6,511,881.81	

Capital Improvement/Capital Equipment Request Form

Name of Project Post Office Floor Replacement
Department Buildings and Grounds – Administration Department
Total Project Cost \$20,000
Date Submitted 3/10/2025
Updated 3/15/2025

Village Management Rating: A	Village Board Rating: A	Utility Board Rating:
Net Project Rating: 4.0		

Description of Project/Justification:

Several years ago, the vinyl flooring in the Post Office was removed, but no surface coating was applied to the exposed concrete. At the time, the Administrator had an outdoor concrete sealer rolled onto the floor. However, the reasoning behind this partial completion remains unknown to the current Administration.

Currently, the floor remains untreated, exposing bare concrete. The Post Office has raised concerns that the lack of surface treatment is contributing to dust accumulation, which they claim poses a potential health risk. While it is unclear whether this constitutes a verifiable health concern, the condition of the floor does indicate that some form of treatment is necessary.

Lease Agreement Considerations

According to the Post Office Lease Agreement, the cost of maintenance, repairs, or replacements falls under the Village's responsibility. The Village receives an annual rent payment of **\$31,720** from the Post Office. Under **Item #3** of the lease's maintenance provisions, it has been determined that the responsibility for this repair falls on the Village. Since the Post Office was originally provided with a vinyl floor surface, and it is now exposed concrete, the Village is required to apply a surface or coating.

In late 2024 and early 2025, the Post Office asserted that this repair is necessary. The Post Office has already proceeded with obtaining cost estimates. If deemed a required repair, the Post Office could compel the Village to pay for a contractor of their choosing, including administrative costs.

Next Steps

- **Confirm project scope:** The Village should determine the appropriate surface or coating required to meet lease obligations and functional needs.
- **Obtain independent cost estimates:** The Village should secure its own estimates to ensure competitive pricing and cost control.
- **Determine funding and timeline:** If the repair is necessary, budget adjustments or funding sources should be identified to accommodate the expense.
- **Coordinate with the Post Office:** Ensure alignment on the scope of work and expectations before proceeding with contractor selection.

Conclusion

Since the Village originally provided the Post Office with a vinyl floor and it is now bare concrete, the responsibility for applying a surface or coating falls on the Village. Given the Post Office's stance and

their initiation of cost estimates, the Village must determine the best approach to fulfill this obligation while managing costs effectively

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Floor Cost Estimate	\$20,000					
	Total	\$20,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Village General Fund Balance	\$20,000					
	Totals	\$20,000					
	Total Cost	\$20,000					

Budget Impact/Other

With this forced, unbudgeted item placed on the Village, the financial impact is significant. The **2025** budget allocated only \$2,000 for Post Office repairs. Since the start of 2025, the Village has already spent \$1,845.57 from this budget on necessary repairs, including the replacement of a hot water heater and servicing of the heating system. Given that it is only March, additional unforeseen expenses for this property are likely.

Furthermore, under the lease agreement, the Village is required to repaint the interior walls, adding further unbudgeted costs in 2025. Additionally, the lease agreement outlines responsibilities such as maintaining the blacktop parking lot, which the Post Office has inquired about, though no estimates have been requested by them at this time.

The required floor repair, along with the lease obligations, creates a significant financial burden. The Village Administrator feels forced to move forward with the project, despite budgetary constraints and higher-than-expected cost estimates.

The 2025 Budget is directly impacted. Areas the Village could consider funding this project include:

- Reducing the \$60,000 street repair budget – This is not advised, as a reduction was already made to account for increased land assessment costs for 2025, and the streets require repairs.
- Utilizing the Fund Balance – The estimated fund balance after the 2024 audit is \$700,000 (preliminary figures). Financial advisors recommend maintaining a 25-30% fund balance based on General Fund revenues.
 - Keeping a 30% fund balance would allow the Village to allocate approximately \$15,000 to capital improvements, which would have to be used for this project.
 - If the allocation increases to \$20,000 or slightly more, the Village should remain within the 25-30% range.

- However, no other projects can be allowed to use the fund balance until 2031, as this is when TID Districts 1 & 2 are scheduled to begin repaying the General Fund for borrowed amounts.

Utilizing 2025 unbudgeted Interest Earned in the General Fund: The 2025 Adopted Budget estimated \$39,000 in interest earned. Last year the Village received around 4.5 to 5.2 %, \$72,000 on Interest. Prior to those years it was lucky to receive 2%. As of May 2025, the Village received close to \$38,000 in interest earned and market trends are projected to average 4.5 - 4.8% for the projected remainder of the year. This would give an extra \$33,000 in revenue in the General Fund by the end of the year. The Village can allocate that towards this project.

Capital Improvement/Capital Equipment Request Form

Name of Project Veterans Park Sewer Line Replacement
Department Buildings and Grounds – Parks Department
Total Project Cost \$43,000
Date Submitted 3/10/2025
Updated 3/15/2025

Village Management Rating: A	Village Board Rating: C	Utility Board Rating: A
Net Project Rating: 2.0		

Description of Project/Justification:

Veterans Park has been a long-standing community park historically managed by the American Legion Alois Dreikosen Post 469. However, in recent years, the American Legion has faced staffing challenges that have hindered its ability to maintain the park. As a result, the management of the park was transferred to the Village, which owns the property. Unfortunately, no funding accompanied this transition, causing financial constraints on park upkeep. Additionally, existing user groups continued utilizing the park without contributing revenue toward necessary repairs, leading to further deterioration.

A significant issue was identified in August 2024 when a sewer backup occurred during the annual Marathon Fund Days event. Rick's Sewer Service was called to address the problem and conducted an inspection using a camera system. The findings revealed multiple issues with the sewer line:

- **Lack of Clean-outs:** No clean-outs were present in the system. Industry standards recommend installing a clean-out 5 feet from the building and every 100 feet thereafter to the main sewer line. Given the 225-foot length of the sewer line, at least three clean-outs should be installed at 5 feet, 105 feet, and 205 feet.
- **Pipe Condition Issues:**
 - At 72.5 feet from the bathroom, a significant line separation and upstream leaks were detected.
 - At 183 feet, there was a buildup of debris over time, and additional separations were noted.
 - Additional pipe leaks were found at 63 feet and 81 feet.

Given the severity of these issues, the best course of action is a total replacement of the sewer line to ensure the long-term functionality and safety of the park's sanitation system. This replacement will not only address the immediate concerns but also prevent future costly repairs and service disruptions during key community events.

Estimated Project Cost: The Village has received an estimate for the sewer repair and clean-outs, which ranges from \$18,000 to \$23,000. This estimate does not include the cost of blacktop restoration, which is expected to be an additional \$20,000. As a result, the total project cost is estimated to be between \$38,000 and \$43,000.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Sewer Replacement	\$23,000					
	Blacktop	\$20,000					
	Total	\$43,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Village General Fund Balance	?					
	2025 free up budgeted funds with bonding	\$21,500					
	American Legion?	\$21,500					
	Totals	\$43,000					
	Total Cost	\$43,000					

Budget Impact/Other

With this forced, unbudgeted item placed on the Village, the financial impact is significant. The 2025 budget allocated only \$6,000 for Park General Supplies and Maintenance. Since the start of 2025, the Village has already spent \$113 from this budget on necessary supplies. This budget item did increase by \$1,000 versus the 2024 budget, but this was due to the rising costs over the past three years, as it had consistently ended over budget. Therefore, this would not be a viable source of funding for the repairs.

The required sewer repair, along with the Village Park obligations, creates a significant financial burden on the 2025 budget. The Village Administrator feels forced to move forward with the project despite budgetary constraints and higher-than-expected cost estimates.

The 2025 Budget is directly impacted. Areas the Village could consider funding this project include:

- **Reducing the \$60,000 street repair budget:** This is not advised, as a reduction was already made to account for increased land assessment costs for 2025, and the streets require repairs.
- **Utilizing the Fund Balance:** The estimated fund balance after the 2024 audit is \$700,000 (preliminary figures). Financial advisors recommend maintaining a 25-30% fund balance based on general fund revenues.
 - Keeping a 30% fund balance would allow the Village to allocate approximately \$15,000 to capital improvements, which would have to be used for this project.
 - If the allocation increases to \$20,000 or slightly more, the Village should still remain within the 25-30% range.
 - However, no other projects can be allowed to use the fund balance until 2031, as this is when TID Districts 1 & 2 are scheduled to begin repaying the General Fund for borrowed amounts.

- **Utilizing 2025 unbudgeted Interest Earned in the General Fund:** The 2025 Adopted Budget estimated \$39,000 in interest earned. Last year the Village received around 4.5 to 5.2 %, \$72,000 on Interest. Prior to those years it was lucky to receive 2%. As of May 2025, the Village received close to \$38,000 in interest earned and market trends are projected to average 4.5 - 4.8% for the projected remainder of the year. This would give an extra \$33,000 in revenue in the General Fund by the end of the year. The Village can allocate that towards this project.
- **Seeking Contributions from Local Organizations:** The Village could explore cost-sharing opportunities with the American Legion, local baseball and softball clubs, and the school district to help fund the sewer repairs. Since these groups actively use the park facilities, a collaborative approach could help reduce the financial burden on the Village while ensuring the park remains in good condition for community use.

Capital Improvement/Capital Equipment Request Form

Name of Project County Materials Sports Complex – Phase 1C
 Department Parks
 Total Project Cost \$175,000.00
 Date Submitted 8/1/2024
 Updated 3/29/2025

Village Management Rating: B	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.0		

Description of Project/Justification:

In 2024, the Village Administration launched a campaign to address the \$311,000 shortfall in funding for the new County Materials Sports Complex Park construction. As a result, donation sources pledged contributions that reduced the shortfall to just \$17,029.68. Additionally, \$175,000 in funds was secured for the construction of a playground and two pickleball courts.

At the February 5, 2025, Village Board meeting, the Board authorized the Administrator to obtain quotes for Phase 1C – Playground & Pickleball Courts, with the condition that the project would not be awarded if the cost exceeded \$175,000

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Playground	\$130,000					
	Pickleball	\$45,000					
Total		\$175,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Park Fund	\$175,000					
Totals		\$175,000					
Total Cost		\$175,000					

Budget Impact/Other

This project was approved to take bids by the Village Board. With the funds received in 2024, it was put in as part of the approved 2025 Ball Park Budget.

Capital Improvement/Capital Equipment Request Form

Name of Project County Materials Sports Complex – Phase 1A & 1B
 Department Parks
 Total Project Cost \$432,369.81
 Date Submitted 8/1/2024
 Updated 3/29/2025

Village Management Rating: B	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.25		

Description of Project/Justification:

County Materials Sports Complex – Phase 1A and 1B started back in 2020 with ground breaking and utility expansion. Phase 1B started in early 2024 and will continue into 2025. There is \$3,883,732.18 budget for phase 1A & 1B as of 3/29/2025. All the funds for this project came from donations, village land sales, and grants.

This project is expected to be complete by June 2025, with games played maybe by July 2025.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
\$3,451,362.37	Ball Park	\$432,369.81					
	Total	\$432,369.81					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
\$3,377,392.18	Donations/Park fund						
\$73,970.19 (24GO)	2024 GO Note	\$174,087.81					
	2025 Bond	\$258,282.00					
	Totals	\$432,369.81					
	Total Cost	\$432,369.81					

Budget Impact/Other

This project was fully funded through donations, proceeds from the sale of village land in an older park, and grant funds. However, there is a shortfall of approximately \$31,100, consisting of \$14,070.11 in uncollected pledged funds and \$17,029.68 in project overruns due to the cost of additional materials and the construction of a berm along the east property line.

In 2024, Village Administration and auditors discovered a discrepancy in the amounts transferred to the Park Fund when it was established in 2022. Specifically, an additional \$475,240.20 remained in the General Fund instead of being transferred to the Park Fund in December 2021. It was also found that these funds had since been used for other necessary Village expenditures, including advances to the TID 2 Fund from the General Fund.

To rectify this, the Village plans to issue a \$506,340 bond in July 2025, which will cover the \$475,240.20 transfer shortfall and the \$31,100 project deficit. This bond will restore the intended Park Fund allocation and ensure the project's completion.

Capital Improvement/Capital Equipment Request Form

Name of Project 4th Street Sidewalk Expansion
Department Administration
Total Project Cost \$170,406
Date Submitted 8/1/2024
Updated 3/29/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.25		

Description of Project/Justification:

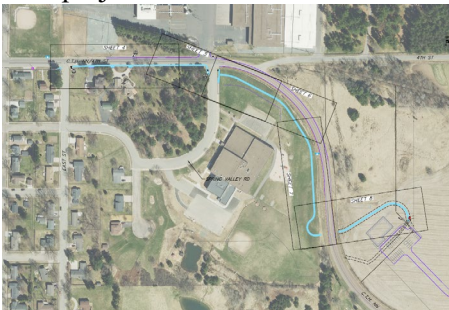
With the support of a federal Transportation Alternatives Program (TAP) grant, the Village began the 4th Street Sidewalk Project in late 2024, with construction expected to be completed in 2025. This project was approved by the Village in 2024, and a short-term borrowing note was used to fund the initial costs. The expectation is to refinance the final amount into a long-term bond once the project is completed and all grant funds are received in 2025.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
\$466,983.05	State Design Review	\$14,242.80					
	Participating Construction	\$95,991.33					
	Construction Engineering	\$4,031.00					
	State Construction Review	\$13,626.19					
	Park Lighting/Contingency	\$42,216					
	Total	\$170,406					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
\$186,172	TAP Grant	\$91,217.87					
\$280,811	2024 GO Note	\$79,188.13					
	Totals	\$170,406					
	Total Cost	\$170,406					

Budget Impact/Other

This project was included in the November 2024 approved and adopted 2025 General Fund Budget.



Capital Improvement/Capital Equipment Request Form

Name of Project Replacement of Municipal Well 1
Department Utilities - Water
Total Project Cost \$2,990,000.00
Date Submitted 2/15/2024
Updated 2/25/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating: A
Net Project Rating: 3.75		

Description of Project/Justification:

Municipal Well 1 was last reconstructed with a downsized 4" casing, which was identified at the time as the final casing option for the Village. The Village was given a 10-year timeline to replace the well, with only 4-5 years remaining before it will be shut down.

The DNR well replacement process takes up to three years, making it essential to begin the project in 2025 with a Well Siting Study. This study will determine if a new well can be placed near existing infrastructure or if alternative solutions—potentially increasing project costs—will be necessary.

Discussions with Strand Engineers have outlined the required project phases:

1. Water System Evaluation & Well Siting Study
2. Test Borings & Test Well
3. Production Well Drilling
4. Well House Construction & Water Main Installation
5. Abandonment of Well 1 & Well House Demolition

Timely action on this project is critical to ensuring continued water supply and compliance with DNR regulations.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Water System Eval & Well Siting Study	\$50,000					
	Test Borings/Test Well	\$100,000					
	Production Well Drilling		\$600,000				
	Well House Construction & Water Main		\$1,500,000				
	Abandon Well #1 & Demo Well House		\$50,000				
	30% Contingency		\$690,000				
	Total	\$150,000	\$2,840,000				

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	GO Note	\$150,000					
	DNR Safe Drinking Water Loan		\$2,840,000				
	Totals	\$150,000	\$2,840,000				
	Total Cost	\$2,990,000					

Budget Impact/Other

The DNR Safe Drinking Water Loan offers low-interest rates and potential principal forgiveness, making it the projected funding source for this project, as the Village is expected to qualify.

Once the Siting Study is completed, the Village will have the opportunity to explore alternative funding sources, such as grants, to potentially replace the Safe Drinking Water Loan and reduce costs. However, it is important to note that the Village's Median Household Income (MHI) is \$84,550, which is higher than the state MHI of \$72,458. As a result, grant programs such as Rural Development and CDBG prioritize funding for lower-income areas in Wisconsin, making grant approval less likely.

The first phase of the project, including the Siting Study and Test Well, will need to be funded through a short-term loan, as this phase must be completed before the Village can apply for the DNR Safe Drinking Water Loan. Once awarded, the short-term loan will be refinanced into the Safe Drinking Water Loan for more manageable repayment terms.

Budget Impact

To cover the DNR Safe Drinking Water Loan payments, a Water Utility rate increase will be necessary. Assuming a 3.5% interest rate on a 20-year loan with no principal forgiveness, the estimated annual repayment would be \$208,089.60.

Based on the past five-year water consumption average, a 60% increase in water rates would generate approximately \$210,745.52 annually, just covering the loan repayment

Note: All Budget Numbers for this project is from Strand. Once project is scheduled for moving forward, more lockdown numbers will be adjusted.

Capital Improvement/Capital Equipment Request Form

Name of Project Water - Reservoir & Inspections
Department Utilities - Water
Total Project Cost \$10,000.00
Date Submitted 8/1/2024
Updated 2/25/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating: A
Net Project Rating: 3.5		

Description of Project/Justification:

The 2023 WI DNR Survey Report and Notice of Noncompliance identified necessary repairs to the Village reservoir. The DNR has mandated that these repairs be completed by 2025, with a follow-up inspection required.

Due to these compliance issues and operational limitations, the Village Utility Commission has designated this project as a high priority. The repairs were approved as part of the 2025 Utility Budget, adopted in December 2024.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Reservoir / Inspections	\$10,000					
Total		\$10,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Water Department General Fund	\$10,000					
Totals		\$10,000					
Total Cost		\$10,000					

Budget Impact/Other

This project was approved and made part of the 2025 budget adopted by the Village Board and Utility Commission in 2024.

Capital Improvement/Capital Equipment Request Form

Name of Project Water Tower – Maintenance Painting and Repairs
Department Utilities - Water
Total Project Cost \$120,000
Date Submitted 2/26/2024
Updated 2/26/2025

Village Management Rating: A	Village Board Rating: A	Utility Board Rating: A
Net Project Rating: 4.0		

Description of Project:

1. Perform maintenance painting and surface repairs on the Water Tower.
2. Weld the access tube gap closed in compliance with the WI DNR Noncompliance Report.
3. Fabricate and install an OSHA-approved roof safety railing (approximately 12 feet in diameter).
4. Install new fill/drain pipe insulation in all areas where it is missing.

Justification:

The Water Tower was constructed in 1978, with its last maintenance painting completed in 2004. A WI DNR Sanitary Survey Report and Notice of Noncompliance, issued on March 17, 2023, identified that the access tube gap on the CB&I 75,000-gallon storage tank in the high-pressure zone was not permanently fixed during the last drain-down inspection in 2020. The Village has been given until December 31, 2025, to permanently weld the access tube gap closed.

In January 2025, Lane Tank Company provided a quote for the required weld repair and identified signs of blistering, peeling, and coating failure both inside and outside the tower. This maintenance work has an expected lifespan of 20 to 25 years and is crucial for prolonging the Water Tower's service life.

The current Diamond Vogel alkyd aluminum (LB2405) paint used on the tower has been discontinued, but it remains available through 2026. If not repainted before the supply runs out, the cost of repainting will increase significantly—potentially reaching \$700,000, as the Village would need to sandblast the tower. Additionally, if the project is not completed within 2025-2026, it will likely be included in the next DNR Noncompliance list, requiring completion within the next 2-5 years. Delays would also pose environmental concerns, as the exterior primer beneath the existing paint contains lead.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Water Tower Maintenance	\$120,000					
	Total	\$120,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2025 GO Bond	\$120,000					

Totals	\$120,000					
Total Cost	\$120,000					

Budget Impact/Other

This project is one of three major projects identified by the Utility commission planned for 2025 to 2027, alongside the Washington Street Project and the Chemical Room Update. It would be funded through a 2025 revenue bond, 2025 budget surplus due to refinancing, and the 2025 budget amount for water tower repairs.

Currently, the Water Department is making annual loan payments of \$71,394.12 for the 3rd Street project, with four years remaining. Given current bond market conditions, the Village could refinance the remaining 3rd Street debt by amortizing payments over 10 years, better aligning debt obligations with infrastructure lifespan.

Assuming a 6.8% interest rate over 10 years, refinancing would free up approximately \$35,000 in the 2025 water debt payment budget. After factoring in bond issuance costs, an additional \$30,000 was freed in the 2025 budget due to deferred debt payments the remaining of the year and will be allocated toward the Water Tower project as Washington Street project is heavily dependent on the status of the General Fund budget.

Impact of Refinancing:

- Existing 6-Year Bond (\$357,000) as of 7-28-2023:
 - Annual Payment: \$71,394.12
 - Total Paid Over 6 Years: \$428,364.72
 - Interest Rate: 6.1%
- 2025 Refinanced 10-Year Bond (\$257,019):
 - Annual Payment: \$35,493
 - Total Paid Over 10 Years: \$354,930
 - Total Cost of \$357,000 Project (Including Interest): \$491,768.73
 - Reduced Borrowing Needed from Deferred Payments in 2025: \$30,000 (to Allocate to Water Tower Project)
 - Additional Loan Cost Due to Refinancing: \$63,404.01
 - Interest Rate: 5.5% to 6.5% pending market conditions.

Applying Refinanced Funds to the Project:

- 10-Year Bond (\$80,000):
 - Annual Payment: \$10,700
 - Total Paid Over 10 Years: \$106,998
 - Interest Rate on New debt: 5.5% to 6.5% pending market conditions.
 - No Rate Increase Needed

Budget Impact

- Water utility rates will remain unchanged, as the combined impact of the three projects and the 3rd Street refinancing will only increase annual debt payments by approximately \$1,000 compared to current budgeted amounts.
- Refinancing plan will extend Water Utility Dept payments an additional six years.

Capital Improvement/Capital Equipment Request Form

Name of Project Sanitary Sewer Main - Cured-in-place Pipe Lining
Department Utilities - Water
Total Project Cost \$674,213
Date Submitted 11/1/2023
Updated 2/25/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating: A
Net Project Rating: 3.25		

Description of Project/Justification:

The Village has identified 11,525 feet of aging clay sanitary sewer main, with televised inspections revealing early signs of stress cracking. Cured-in-place pipe (CIPP) lining offers a cost-effective solution, extending the sewer main's lifespan by 50 years without the need for excavation. However, this method is only viable if the pipes are addressed in time—waiting too long could necessitate full replacement, significantly increasing costs.

Another concern is inflow and infiltration (I&I), which contributes to excessive flow in the sanitary sewer system. This project aims to rehabilitate leaking mains, primarily through CIPP lining, with spot replacements where necessary.

The Village has committed to reducing I&I over the coming years while extending the life of its sewer infrastructure. While the Utility Commission previously approved borrowing for this project, resources were redirected to the Wastewater Treatment Plant (WWTP) replacement. Additionally, the rate increases required for that project delayed funding for this initiative.

If this project is not completed soon, sections of the sewer main identified by the Public Works Director will begin to fail, leaving excavation and replacement as the only option—at a cost of approximately \$660 per foot, compared to just \$45 per foot for CIPP lining. Addressing the issue now will save the Village Utility Department substantial costs and prevent further deterioration of the system.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Cured-in-place pipe lining 11,525 feet identified		\$320,850	\$197,775			
	30% Contingency/spot dig repair work found with project		\$96,255	\$59,333			
	Total		\$417,105	\$257,108			

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2025 GO Note/Bond		\$417,075	\$257,108			

	Water Department General Fund						
	Totals		\$417,105	\$257,108			
Total Cost		\$674,213					

Budget Impact/Other

Funding this project through a 20-year bond will increase the Waste Water Utility Budget expenditure by \$66,305 annually in principal and interest payments. The 2025 Waste Water Budget was approved with a \$13,948.24 deficit, primarily due to loan payments for the new Waste Water Treatment Plant (WWTP). With no available operating surplus, this project cannot move forward without additional revenue from a rate increase.

To cover the loan payments, an 9% Waste Water rate increase would be required, generating an estimated \$69,218 in additional revenue.

Alternative Funding Options

1. Gradual Rate Increase Approach

Instead of implementing a full 9% increase at once, the Village could phase in the increase over two years, raising rates by 4.5% in both 2026 and 2027. This approach would ensure sufficient funds are available for bond payments by 2027. To cover the 2026 payment, a small portion of the Utility Fund Balance could be used as a temporary subsidy.

2. Grant Funding or Subsidies

If a rate increase is not an option, the project would need to be funded through alternative sources such as grants or fund balance subsidies. However, utilizing the fund balance is not a sustainable option (see below).

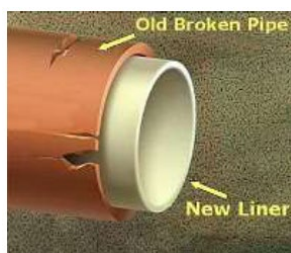
Fund Balance Considerations

- The Utility Fund Balance is projected to be \$750,000 after the 2024 audit, significantly reduced due to WWTP (Marathon Cheese portion) and TID 2 borrowing.
- The Village is required to allocate \$38,546 annually to the Wastewater Replacement Fund until it reaches \$770,917 (current balance: \$205,286.81; shortfall: \$565,630.19).
- With annual replacement fund contributions drawing down the Utility Fund Balance over the next 15 years, tapping into this fund for the project is not a viable long-term solution.

Conclusion

The only feasible ways to fund this project are:

- A full 9% wastewater rate increase in 2026, or
- A phased-in 4.5% increase over two years, using a small amount of fund balance in 2026 to bridge the gap, or
- Securing grant funding, though a rate increase would still be required to cover the remaining Utility portion of the project cost.



Capital Improvement/Capital Equipment Request Form

Name of Project Community Circle – Culvert Replacement
Department Streets
Total Project Cost \$25,000
Date Submitted 8/1/2024
Updated 3/30/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.0		

Description of Project/Justification:

In late summer of 2024, the Streets Department was notified by landowners of a large sinkhole near Napa. Upon investigation, we observed significant material loss and sinking of the blacktop along the twin culverts. Despite adding a large amount of material to stabilize the area, it has continued to erode.

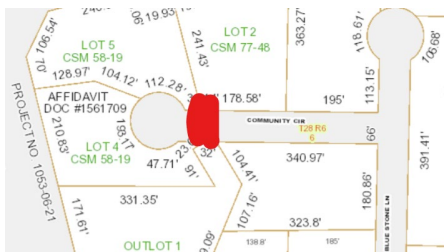
Given that the road has already begun to sink, we believe it is necessary to excavate and repair the site. There is a concern that material may be washing out beneath the blacktop, potentially creating a hazardous situation for drivers.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Excavation	\$7,000					
	Material	\$3,000					
	Blacktop - Wedging	\$10,000					
	Contingency	\$5,000					
	Total	\$25,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Street Maintenance Budget	\$25,000					
	Totals	\$25,000					
	Total Cost	\$25,000					

Budget Impact/Other

This project is one of three street projects (Oak St, Sonnentag Rd, and Community Cir) funded by the \$60,000 allocated in the 2025 Street Maintenance Budget. It will not require borrowing or a drawdown from the General Fund Balance.



Capital Improvement/Capital Equipment Request Form

Name of Project Oak Street – 4th to 5th
Department Streets
Total Project Cost \$15,000
Date Submitted 8/1/2024
Updated 3/30/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.25		

Description of Project/Justification:

This project was originally part of the 2024 street projects, along with Hemlock Street. However, due to increased costs associated with Hemlock Street, the Oak Street storm drain inlet and wedge patch between 4th and 5th Street were removed to stay within budget.

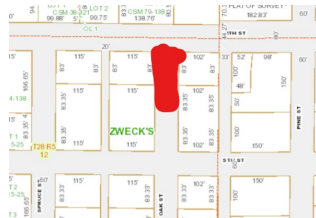
The storm drain inlet is in failing condition, and the road has been patched multiple times. During a 2024 assessment with American Asphalt, they recommended a wedge patch for a significant portion of the road to extend its lifespan and delay major reconstruction. As a result, the project was postponed from the 2024 repairs with the intent to complete it in 2025.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Excavation	\$4,000					
	Material	\$1,500					
	Blacktop - Wedging	\$7,000					
	Concrete - Curb	\$1,000					
	Contingency	\$1,500					
	Total	\$15,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Street Maintenance Budget	\$15,000					
	Totals	\$15,000					
	Total Cost	\$15,000					

Budget Impact/Other

This project is one of three street projects (Oak St, Sonnentag Rd, and Community Cir) funded by the \$60,000 allocated in the 2025 Street Maintenance Budget. It will not require borrowing or a drawdown from the General Fund Balance.



Capital Improvement/Capital Equipment Request Form

Name of Project Sonnentag Road – Pine Street to Village’s West Boundary
Department Streets
Total Project Cost \$20,000
Date Submitted 8/1/2024
Updated 3/30/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.0		

Description of Project/Justification:

Sonnentag Road is a gravel road in poor condition, requiring additional gravel and grading. In addition to the deteriorating road surface, there is a storm culvert with extremely steep drop-offs. In 2024, the Village Engineer assessed the area and recommended either installing a guardrail or extending the culvert with ditch grading to improve safety.

In November 2024, the village completed a concrete and asphalt recycling project, producing gravel at approximately half the standard cost per yard while also creating additional space at the yard waste drop-off site. The gravel from this project was intended for use on this road project to help reduce material costs.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Grading	\$5,000					
	Guardrail	\$10,000					
	Contingency	\$5,000					
	Total	\$20,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Street Maintenance Budget	\$20,000					
	Totals	\$20,000					
	Total Cost	\$20,000					

Budget Impact/Other

This project is one of three street projects (Oak St, Sonnentag Rd, and Community Cir) funded by the \$60,000 allocated in the 2025 Street Maintenance Budget. It will not require borrowing or a drawdown from the General Fund Balance.



Capital Improvement/Capital Equipment Request Form

Name of Project North Business Park Expansion
Department Administration
Total Project Cost \$924,097
Date Submitted 8/1/2024
Updated 3/29/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.5		

Description of Project/Justification:

To support the continued growth of the Village, a Tax Incremental District (#1) was created. As part of the development plan, the Village decided to extend utility services north of Highway 29 to encourage business expansion. This initiative led businesses to sign agreements to expand their operations. Additionally, the Village is committed to completing N. Business Parkway and installing essential utilities, including Phase 3 power, gas, telecommunications, and street lighting.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
\$2,038,791	Construction Contracts	\$584,984					
	Engineering	\$44,057					
	Utilities – (power, gas, communications)	From contingency once quotes					
	Easements	\$4,889					
	Contingency	\$290,167					
	Total	\$924,097					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2022 TID 1 Bond	\$819,840					
	2023 TID 1 G.O. Note	\$104,257					
	Totals	\$924,097					
	Total Cost	\$924,097					

Budget Impact/Other

This project was included in the November 2024 approved and adopted TID 1 Budget.



Capital Improvement/Capital Equipment Request Form

Name of Project STH 107 - State Project 6360-05-05 Reconstruction
 Department Streets
 Total Project Cost \$90,000 – Village part
 Date Submitted 8/1/2024
 Updated 3/31/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.8		

Description of Project/Justification:

The State of Wisconsin is resurfacing State Highway 107 from north of County Road B to the Rib River Bridge. In 2024, the Wisconsin Department of Transportation (WI DOT) communicated with the Village and proposed repaving the Village portion of the project to reduce costs. The Village Board agreed to this proposal.

Additionally, the Village Board approved the construction of a turn lane at the intersection of CTH NN and Highway 107. As part of this agreement, the Village will donate the necessary land it currently owns as its contribution to the project, eliminating any additional expenditure for land acquisition. By coordinating with WI DOT, the Village significantly reduces costs associated with construction, project engineering, and project management.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Village Parking Reconstruction		\$26,160				
	Storm Repair		\$13,500				
	Crosswalk RRFB		\$10,000				
	Hydrant replacement		\$10,000				
	Contingency		\$30,340				
	Total		\$90,000				

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2026 General Fund Budget		\$90,000				
	Totals		\$90,000				
	Total Cost	\$90,000					

Budget Impact/Other

The 2025 budget initially projected a surplus of \$1,212.59 and allocated \$95,000 to Capital Improvement Projects (CIP). Given the substantial cost of STH 107 - State Project 6360-05-05 Reconstruction, funding this project directly from the budget is an option; however, it would exhaust the available budget space for 2026, leaving no room for emergency projects or unexpected expenditures.

Since this project must be completed, it would be advisable to explore methods to free up space within the Village's Operating Budget. One option is refinancing or restructuring the Village's existing General Fund Budget Debt. Doing so could free up between \$45,000 and \$55,000, allowing the Village to allocate \$120,000 annually toward street projects without the need for yearly borrowing. Additionally, the Village should consider incrementally increasing this allocation to keep pace with inflation, ensuring at least two blocks can be reconstructed each year.

Current General Fund, Budget, & Debt Status

- 2025 Village Capital Improvement Plan (CIP) Budget (Excluding Borrowing): \$95,000
 - \$60,000 allocated for street maintenance.
 - \$35,000 allocated for land assessments.
- General Fund Balance (Starting 2025): ~\$700,000
 - ~\$460,000 reserved for TID advances (2025–2030), leaving only \$15,000 available for one-time projects.
- New Debt Without Restructuring:
 - Would reduce the \$95,000 annual CIP budget, limiting future projects unless the Debt Levy is increased.
- Debt Levy Increase:
 - Would increase property taxes but could free up funds within the levy budget to support other CIP projects, reducing the need for future borrowing.
- Refinancing/Restructuring Existing Debt:
 - Could free up \$45,000–\$55,000 within the General Budget by 2026, which could be used to offset debt payments or self-fund CIP projects.
- Street Maintenance Funding Needs:
 - A minimum of \$120,000 annually is required to replace two blocks of blacktop to avoid relying on borrowed funds.

Conclusion

To complete this project without borrowing additional funds, the Village should refinance and restructure its debt to free up operating capacity within the General Fund Budget for 2026. If this is not done, the only alternative would be to borrow a portion of the project cost and cover the debt payments by reducing existing levy capacity accordingly.

Capital Improvement/Capital Equipment Request Form

Name of Project Street Overlays and Surface Treatments
Department Streets
Total Project Cost \$35,500
Date Submitted 8/1/2024
Updated 3/31/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.4		

Description of Project/Justification:

With the 2025 Street Budget set at \$60,000 and allocated to a few projects, and the 2026 Budget of \$90,000 designated for the STH 107 project, there will be limited funding available for overlays and surface treatments over the next three years. If the Village is approved for a Market Street grant for 2026–2027, this would further constrain funds for maintaining and extending the life of existing street surfaces.

However, if the 2025 bond/debt restructuring is completed, it would allow the Budget to allocate \$120,000 annually for street maintenance. In 2026, after the STH 107 project is funded, \$35,500 will remain. Instead of applying this amount to another full street reconstruction or culvert repair, this Capital Improvement Plan (CIP) will prioritize street overlays and surface treatments. By targeting deteriorated sections, this approach will help extend the life of existing roads and improve overall drivability.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Street Maintenance		\$35,500				
	Total		\$35,500				

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2026 General Fund Budget		\$35,500				
	Totals		\$35,500				
	Total Cost	\$35,500					

Budget Impact/Other

The 2025 budget initially projected a surplus of \$1,212.59 and allocated \$95,000 to Capital Improvement Projects (CIP). Given the substantial cost of STH 107 - State Project 6360-05-05 Reconstruction, funding this project directly from the Budget is an option; however, it would exhaust the available Budget space for 2026, leaving no room for emergency projects or unexpected expenditures or the Street Overlays and Surfacing Treatments project.

Since the STH 107 project must be completed, it would be advisable to explore methods to free up space within the Village's Operating Budget. One option is refinancing or restructuring the Village's existing

General Fund Budget Debt. Doing so could free up between \$45,000 and \$55,000, allowing the Village to allocate \$120,000 annually toward street projects without the need for yearly borrowing. If this is done, the 2026 Budget should have \$35,500 available and can be used to fund Street Overlays and Surface Treatments badly needed in the Village.

Current General Fund, Budget, & Debt Status

- 2025 Village Capital Improvement Plan (CIP) Budget (Excluding Borrowing): \$95,000
 - \$60,000 allocated for street maintenance.
 - \$35,000 allocated for land assessments.
- General Fund Balance (Starting 2025): ~\$700,000
 - ~\$460,000 reserved for TID advances (2025–2030), leaving only \$15,000 available for one-time projects.
- New Debt Without Restructuring:
 - Would reduce the \$95,000 annual CIP budget, limiting future projects unless the Debt Levy is increased.
- Debt Levy Increase:
 - Would increase property taxes but could free up funds within the levy budget to support other CIP projects, reducing the need for future borrowing.
- Refinancing/Restructuring Existing Debt:
 - Could free up \$45,000–\$55,000 within the General Budget by 2026, which could be used to offset debt payments or self-fund CIP projects.
- Street Maintenance Funding Needs:
 - A minimum of \$120,000 annually is required to replace two blocks of blacktop to avoid relying on borrowed funds.

Conclusion

To complete this project without borrowing additional funds, the Village must refinance and restructure its debt to free up operating capacity within the General Fund Budget for 2026. Without these financial adjustments, the project cannot move forward.

Capital Improvement/Capital Equipment Request Form

Name of Project 1999 Street Sweeper Replacement
Department Streets – Utilities
Total Project Cost \$368,000
Date Submitted 8/1/2024
Updated 2/25/2025

Village Management Rating: A	Village Board Rating: C	Utility Board Rating:
Net Project Rating: 2.5	Board Approved – 6/18/25	

Description of Project/Justification:

The 1999 Sterling Chassis, Johnson Street Sweeper has reached the end of its operational lifespan. The equipment has suffered from significant wear and deterioration, leading to frequent breakdowns, reduced functionality, and increasing maintenance costs. Due to the extent of its deterioration, it is no longer a reliable asset for the Public Works Department.

Current Condition & Challenges

- Severe Rust and Structural Damage: The body of the sweeper has major rust issues, further compromising its longevity and reliability.
- Reduced Functionality:
 - One broom arm is inoperable due to parts being repurposed to keep the curb-side operational.
 - The vacuum system has drastically diminished efficiency as replacement parts have become unavailable.
 - The catch arm, used for manhole suction in Utility maintenance, is completely nonfunctional.
- Frequent Downtime: The sweeper has spent nearly as much time in repairs as it has in operation over the past few years, making it an unreliable tool for street cleaning.
- Operational Failures in 2024: Overheating issues have been persistent, further limiting the equipment's ability to perform its intended functions.

Necessity for Replacement

- Regulatory Compliance: The street sweeper is a required piece of equipment per Department of Natural Resources (DNR) regulations. Without a functioning unit, compliance with environmental and stormwater management standards may be jeopardized.
- Public Works & Utility Operations: This equipment is essential for maintaining clean streets, supporting stormwater management, and assisting with utility maintenance (e.g., manhole suction).
- Cost & Efficiency Concerns: The increasing cost of repairs and lack of available replacement parts make continued maintenance unsustainable. Investing in a new unit would provide long-term reliability and efficiency.

Funding Considerations

Despite extensive research, grant opportunities for street sweeper replacements are extremely limited. Alternative funding sources, such as capital improvement budgets or municipal equipment funds, should be explored to ensure timely replacement.

Conclusion

Given its deteriorating condition, frequent breakdowns, and inability to meet operational needs, replacing the 1999 Sterling Chassis, Johnson Street Sweeper is an urgent priority. The Public Works Director and Streets Superintendent have identified this as the highest-priority replacement within the department. A new unit will ensure compliance with regulatory requirements, reduce ongoing maintenance costs, and improve overall efficiency in street and utility maintenance operations.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Truck Cost (2025 quote)		\$344,560				
	Difference with second quote		\$23,440				
	Total		\$368,000				

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2025 Village General GO Bond		\$370,000				
	Sale of Equipment		\$8,000				
	Totals		\$378,000				
	Total Cost	\$368,000					

Budget Impact/Other

The 2025 budget initially projected a surplus of \$1,212.59 and allocated \$95,000 to Capital Improvement Projects. Given the substantial cost of replacing the Street Sweeper, funding this purchase directly from the budget is not a viable option, but a combination of restructuring past Village debt, taking out a new bond for the Street Sweeper, and paying for it from the General Budget along with maybe increasing the Village Debt Levy is an option to look at.

Current General Fund / Budget / Debt Status

- 2025 Village Capital Improvement Plan (CIP) Budget (Outside of Borrowing): \$95,000
 - \$60,000 allocated for street maintenance.
 - \$35,000 allocated for land assessments.
- General Fund Balance (2025 Start): ~\$700,000
 - ~\$460,000 reserved for TID advances (2025–2030), leaving \$15,000 available for one-time projects.
- New Debt Without Restructuring:
 - Reduces the \$95,000 yearly projected CIP budget for future projects unless the Debt Levy is increased.
- Debt Levy Increase:

- Increases property taxes but could free up funds within the levy budget to support other CIP projects, reducing the need for future borrowing.
- Refinancing/Restructuring Existing Debt:
 - Could free up \$45,000–\$55,000 in funds within the General Budget by 2026, which could be used to offset debt payments or self-fund CIP projects.
- Street Maintenance Funding Needs:
 - A minimum of \$120,000 is required to replace two blocks of blacktop to avoid the need to borrow in the future.
- Priority Projects:
 - The General Fund has higher-priority street projects from 2025 to 2027, making bonding, a Debt Levy increase, or a reduction of the \$50,000 by the annual bond payment amount the only viable options for funding this project.

General Fund Bonding Options:

- 15-Year Street Bond (\$360,000):
 - Annual Payment: \$38,348
 - Total Paid Over 15 Years: \$575,219
 - Total Interest Paid: \$215,219
 - Estimate based on 6.8% Bond: expected to be 5.5 to 6.5 pending market conditions
 - Debt Levy Impact of full \$27,164:
 - \$0.319 per \$1,000 assessed value
 - \$63.84 additional tax on a \$200,000 home

Alternative Cost-Reduction Strategies

To mitigate the financial impact, the Village could explore alternative approaches. However, it is important to note that borrowing will still be required, and while these options may reduce the total amount needed, there will still be an impact on the debt levy and property taxes.

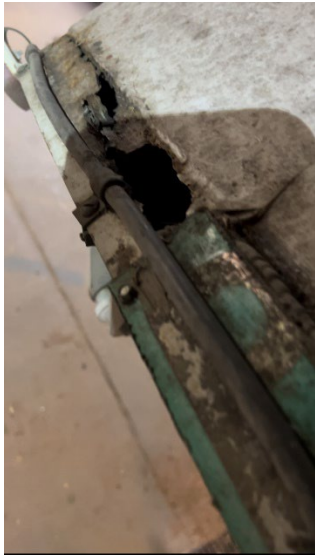
1. Purchasing Used Equipment
 - A 5-10-year-old street sweeper may provide a cost-effective solution while still maintaining necessary functionality.
 - While this would lower the borrowing amount, it would not eliminate the need for a loan, and a debt levy increase—though reduced—would still be required.
 - Additional considerations include the availability of suitable equipment, potential maintenance costs, and long-term reliability.
2. Shared Service Agreement with Nearby Municipality (Edgar)

- Partnering with Edgar could allow for a shared street sweeping service.
- Another possibility is splitting the cost of the equipment and utilizing each other's employees to save on labor and operational expenses. However, because our Village is larger, a 50/50 split may not be the most equitable arrangement. A different cost-sharing ratio could be considered while still providing both municipalities with a new piece of equipment rather than used.
- Alternatively, our Village could fully own the sweeper and provide sweeping services to Edgar for a fee, which could help offset the cost of the equipment and operations.
- This cost-sharing model could help reduce financial strain, but the Village would still need to borrow funds for the purchase, meaning a debt levy impact—though reduced—would remain a concern.

Conclusion

Given the financial constraints, the Village must carefully consider its approach to funding the street sweeper replacement. While bonding or increasing the debt levy are viable options, they come with budgetary and taxpayer implications. Exploring used equipment, a collaborative agreement with the neighboring Village, splitting costs and sharing labor, or extending the bond repayment to 20 years may help reduce the financial burden but will not eliminate the need for borrowing. A detailed review of each option, including long-term cost projections and feasibility studies, is recommended before making a final decision.





Capital Improvement/Capital Equipment Request Form

Name of Project Market St – 4th to 8th Reconstruction
Department Streets
Total Project Cost \$349,296
Date Submitted 8/1/2024
Updated 3/31/2025

Village Management Rating: A	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.0		

Description of Project/Justification:

Marathon City is applying for the Local Roads Improvement Program (LRIP) Municipal Street Improvement Discretionary Award in 2025. After evaluating potential projects, Market Street (between 4th and 8th Streets) has been identified as a strong candidate that aligns with the grant's criteria. If awarded, the Village will be notified by late 2025 or early 2026. The grant requires a 50/50 cost share between grant funds and local funding.

Market Street has been deteriorating for years, with significant issues identified during a televised inspection of the storm sewer near the Swim Center (from 4th to 5th Streets). The inspection revealed major deterioration, including sinkholes forming along the blacktop and sidewalk. The only viable solution is a full reconstruction of 380 feet of storm sewer to properly address these structural failures.

Additionally, the remaining portion of Market Street (from 5th to 8th Streets) is in need of surface reconstruction. This roadway serves as a bus transportation route and provides access to a school and church, making it a high-traffic area. Ensuring the longevity and safety of this street is essential for both daily commuters and the community at large.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Reconstruction Estimate			\$283,518.50			
	Professional Services/ Engineering			\$37,424.44			
	Contingency			\$28,353.06			
	Total			\$349,296			

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2027 General Fund Budget			\$120,000			
	WIDOT Grant			\$174,648			
	2025 GO Note/Bond			\$54,648			
	Totals			\$349,296			
	Total Cost	\$349,296					

Budget Impact/Other

The 2025 Budget initially projected a surplus of \$1,212.59 and allocated \$95,000 to Capital Improvement Projects (CIP). Given the substantial cost of the Market Street (4th to 8th) Reconstruction, funding this project directly from the budget would only be feasible if the Village restructures its existing debt to free up space within the operating budget.

Since this project is a high priority and qualifies for a 50/50 matching grant, it is advisable to explore methods to free up funds within the Village's Operating Budget to ensure its completion. One potential solution is refinancing or restructuring the Village's General Fund Debt, which could free up between \$45,000 and \$55,000 annually. This would allow the Village to allocate \$120,000 per year toward street projects, reducing the need for annual borrowing.

However, even with the \$120,000 allocated for street maintenance, an additional \$54,648 would still be required to complete this project. This gap may need to be covered through short-term borrowing, depending on the final project costs after grant approval and bid evaluations. If the project comes in under budget, borrowing may not be necessary.

Current General Fund, Budget, & Debt Status

- 2025 Village Capital Improvement Plan (CIP) Budget (Excluding Borrowing): \$95,000
 - \$60,000 allocated for street maintenance.
 - \$35,000 allocated for land assessments.
- General Fund Balance (Starting 2025): ~\$700,000
 - ~\$460,000 reserved for TID advances (2025–2030), leaving only \$15,000 available for one-time projects.
- New Debt Without Restructuring:
 - Would reduce the \$95,000 annual CIP budget, limiting future projects unless the Debt Levy is increased.
- Debt Levy Increase:
 - Would increase property taxes but could free up funds within the levy budget to support other CIP projects, reducing the need for future borrowing.
- Refinancing/Restructuring Existing Debt:
 - Could free up \$45,000–\$55,000 within the General Budget by 2026, which could be used to offset debt payments or self-fund CIP projects.
- Street Maintenance Funding Needs:

- A minimum of \$120,000 annually is required to replace two blocks of blacktop to avoid relying on borrowed funds.

General Fund Bonding Options

- 6-Year Street Bond (\$54,648):
 - Annual Payment: \$11,118
 - Total Paid Over 6 Years: \$66,705
 - Debt Levy Impact (if used):
 - \$0.0925 per \$1,000 assessed value
 - \$18.51 additional tax on a \$200,000 home

Conclusion

To complete this project without borrowing additional funds, the Village must refinance and restructure its existing debt to free up operating capacity within the General Fund Budget and allocate at least \$120,000 annually for street repairs. Even with these adjustments, an additional \$54,648 may still need to be financed or potentially absorbed into the 2027 Operating Budget, depending on final project costs and available funds.



2028 to 2029 - Priority Projects - to be Re-Evaluated in 2027 for next 2-year funding cycle - Prices does not include inflation																
Year	PROJECT LIMITS	Department	2027 GO Note	2025 GO Note/Bond	2024 GO Note	Grants funds	General Fund Budget	Sale of Equipmtent/ capital	Donations	TID 1 - GO Note	Water Budget	Sewer Budget	Utility Fund Balance / Reserve Fund	DNR Safe Drinking Water Loan (low interest rate)	Total Project Cost	Notes
2028	2012 Dodge Truck Replacement	VMO						\$1,000.00				\$30,000.00	\$18,500.00		\$49,500.00	Older truck, still in great shape
2028	4th Street - Thornapple to Pheasant	Public Works				\$14,589.84	\$120,000.00								\$134,589.84	
2028	1996 International Plow-Dump Truck Replacement	VMO	255000					\$10,000.00							\$265,000.00	2025 CIP Bond restructured debt for this project in 2028 future Bond
2028	2019 Dodge Durango Replacement	Public Safety	47000					\$18,000.00							\$65,000.00	2026 Budget can not fund this. Car only has 50,000 miles, low maintenance cost . Should we hold to replace tell 2028?
2029	5th Street - Main St to Washington Street (part of Main to East St project due to self funding)	Public Works					\$120,000.00								\$120,000.00	Maybe do the very bad parts under the budget. \$120K gets two block done at a time. No room within budget.
2029	1994 Stiner Utility Tractor	VOM	58000				\$2,000.00								\$60,000.00	Fund balance / budget?
Total Cost			\$360,000.00	\$0.00	\$0.00	\$14,589.84	\$242,000.00	\$29,000.00	\$0.00	\$0.00	\$0.00	\$30,000.00	\$18,500.00	\$0.00	\$694,089.84	

Capital Improvement/Capital Equipment Request Form

Name of Project 2012 Dodge Truck Replacement
Department Utilities – Water & Waste Water
Total Project Cost \$49,500.00
Date Submitted 8/1/2024
Updated 2/25/2025

Village Management Rating: C	Village Board Rating: D	Utility Board Rating: C
Net Project Rating: 1.75		

Description of Project/Justification:

The 2012 Dodge ½-ton pickup truck is currently in good condition with low mileage. This project is planned for future consideration around 2028 to assess the need for a replacement.

With proper Capital Improvement Plan (CIP) planning and budgeting, sufficient utility working capital is expected to be available by 2028 to fund the replacement.

This CIP project should be re-evaluated in 2027 to determine if the vehicle's condition has changed. If the truck remains in good shape, the replacement can be deferred by another two years as needed.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Truck Cost (2025)				\$45,000		
	10% for Inflation for years out since 2025				\$4,500		
	Total				\$49,500		

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Utility Department General Fund				\$30,000		
	Utility Fund Balance for CIP				\$15,500		
	Sale of Equipment				\$4,000		
	Totals				\$49,500		
	Total Cost	\$49,500					

Budget Impact/Other

As of 2025, the Utility Budget is projected to have a surplus of \$10,226.27, which includes \$20,000 allocated for Water Utility Capital Projects. With the Village and Utilities planning to bond for three water projects in 2025 and refinance the 3rd Street Water Expansion Project, the existing \$30,000 in working capital within the Utility Budget will not be impacted.

Given the healthy financial status of the Utility Fund and the truck replacement planned for 2028 or later, it is recommended to assess the Fund Balance before moving forward to determine if the \$15,500 needed for this project can be covered without additional financial strain.

Capital Improvement/Capital Equipment Request Form

Name of Project 4th Street - Thornapple to Pheasant
Department Streets
Total Project Cost \$134,589.84
Date Submitted 8/1/2024
Updated 3/31/2025

Village Management Rating: B	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.0		

Description of Project/Justification:

In 2024, the Village Streets Superintendent and Village Administrator conducted a comprehensive inspection of every street within the Village, marking damaged sections on a map. Following this assessment, the Village Administrator accompanied the Village's contracted engineer to each identified section to determine the most effective repair solutions. This project outlines the estimated costs and recommended repairs based on the engineer's evaluation.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Construction				\$109,245		
	Professional Services				\$14,420.34		
	Contingencies 10%				\$10,924.50		
	Total				\$134,589.84		

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	General Fund Budget / Debt Levy				\$120,000		
	LRIP Grant				\$14,589.84		
	Totals				\$134,589.84		
	Total Cost	\$134,589.84					

Budget Impact/Other

The 2025 budget initially allocated \$95,000 for Capital Improvements, with the condition that no borrowing would be required if expenses remained within this limit. The Village is exploring debt restructuring to free up an additional \$45,000 to \$55,000 annually within the Operating Budget. The goal is to increase annual funding for street projects to \$120,000.

However, despite this planned increase from \$60,000 to \$120,000, the Budget remains constrained due to two large scheduled projects in 2026-2027. As a result, funding for this project is unlikely unless the debt levy is increased.

General Fund Bonding / Debt Levy Options

- 15-Year Street Bond (\$134,589.84):

- [illegible]

Capital Improvement/Capital Equipment Request Form

Name of Project 1996 International Plow-Dump Truck Replacement
Department Streets – Utilities
Total Project Cost \$265,000
Date Submitted 8/1/2024
Updated 3/31/2025

Village Management Rating: A	Village Board Rating: C	Utility Board Rating:
Net Project Rating: 2.25		

Description of Project/Justification:

The 1996 International Plow-Dump Truck has reached the end of its operational lifespan. The equipment has suffered significant wear and deterioration, leading to frequent breakdowns, reduced functionality, and increasing maintenance costs. Due to the extent of its deterioration, it is no longer a reliable asset for the Public Works Department.

Current Conditions & Challenges:

- **Frequent Downtime:** The truck has spent nearly as much time in repairs as it has in operation over the past few years, making it unreliable.
- **Reduced Operations:** With frequent breakdowns, the truck is used less often, increasing expenses as contractors must be hired to haul materials.

Necessity for Replacement:

- **Public Works & Utility Operations:** This equipment is essential for maintaining clean streets, supporting Village operations, and assisting with utility maintenance (e.g., manhole suction).
- **Cost & Efficiency Concerns:** The increasing cost of repairs and lack of reliability make replacement critical. Investing in a new unit would provide long-term reliability and efficiency for the Streets Department

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Truck-Axle/Chassis				143,053		
	Upfit Cost				\$112,277		
	Contingency				\$9,670		
	Total				\$265,000		

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2027 GO Note				\$255,000		
	Sale of Equipment				\$10,000		
	Totals				\$265,000		
	Total Cost	\$265,000					

Budget Impact/Other

The 2025 Budget initially projected a surplus of \$1,212.59 and allocated \$95,000 to Capital Improvement Projects. Given the substantial cost of replacing the Plow-Dump Truck, funding this purchase directly

from the Budget is not a viable option, but a combination of restructuring past Village debt, taking out a new bond for the Truck, and paying for it from the General Budget along with maybe increasing the Village Debt Levy is an option to look at.

Current General Fund / Budget / Debt Status

- 2025 Village Capital Improvement Plan (CIP) Budget (Outside of Borrowing): \$95,000
 - \$60,000 allocated for street maintenance.
 - \$35,000 allocated for land assessments.
- General Fund Balance (2025 Start): ~\$700,000
 - ~\$460,000 reserved for TID advances (2025–2030), leaving \$15,000 available for one-time projects.
- New Debt Without Restructuring:
 - Reduces the \$95,000 yearly projected CIP budget for future projects unless the Debt Levy is increased.
- Debt Levy Increase:
 - Increases property taxes but could free up funds within the levy budget to support other CIP projects, reducing the need for future borrowing.
- Refinancing/Restructuring Existing Debt:
 - Could free up \$45,000–\$55,000 in funds within the General Budget by 2026, which could be used to offset debt payments or self-fund CIP projects.
- Street Maintenance Funding Needs:
 - A minimum of \$120,000 is required to replace two blocks of blacktop to avoid the need to borrow in the future.
- Priority Projects:
 - The General Fund has higher-priority street projects from 2025 to 2027, making bonding, a Debt Levy increase, or a reduction of the \$50,000 by the annual bond payment amount the only viable options for funding this project.

General Fund Bonding Options:

- 15-Year Street Bond (\$255,000):
 - Annual Payment: \$27,164
 - Total Paid Over 15 Years: \$407,447
 - Total Interest Paid: \$152,447
 - Estimate based on 6.8% Bond: expected to be 5.5 to 6.5 pending market conditions
 - Debt Levy Impact of full \$27,164:

- \$0.226 per \$1,000 assessed value
 - \$45.22 additional tax on a \$200,000 home
- 20-Year Street Bond (\$255,000):
 - Annual Payment: \$22,278
 - Total Paid Over 20 Years: \$445,547
 - Total Interest Paid: \$190,547
 - Estimate based on 6.2% Bond (better bond rate the longer you go out): expected to be 5.5 to 6.5 pending market conditions
 - Debt Levy Impact of full \$23,359:
 - \$0.185 per \$1,000 assessed value
 - \$37.09 additional tax on a \$200,000 home

Alternative Cost-Reduction Strategies

To mitigate the financial impact, the Village could explore alternative approaches. However, it is important to note that borrowing will still be required. While these options may reduce the total amount needed, they will still affect the Debt Levy, General Budget, and possibly property taxes.

1. Purchasing Used Equipment

- A 5–10-year-old street sweeper may provide a cost-effective solution while maintaining necessary functionality.
- While this would lower the borrowing amount, it would not eliminate the need for a loan, and a debt levy increase—though reduced—would still be required.
- Additional considerations include the availability of suitable equipment, potential maintenance costs, and long-term reliability.

Conclusion

Given the financial constraints, the Village must carefully consider its approach to funding the Plow-Dump Truck replacement. While bonding or increasing the debt levy are viable options, they come with budgetary and taxpayer implications. Exploring used equipment may help reduce the financial burden but will not eliminate the need for borrowing. A detailed review of each option, including long-term cost projections and feasibility studies, is recommended before making a final decision.



Capital Improvement/Capital Equipment Request Form

Name of Project 2019 Dodge Durango Replacement
 Department Police Department
 Total Project Cost \$65,000 to \$71,000
 Date Submitted 8/1/2024
 Updated 3/15/2025

Village Management Rating: A	Village Board Rating: C	Utility Board Rating:
Net Project Rating: 2.8		

Description of Project/Justification:

Purchase of a new police vehicle to replace an existing (oldest) out of date police vehicle currently in the police fleet of patrol cars. Vehicle is, or will be, used for patrol of Marathon City Officers or Directed Enforcement Officers.

Existing police vehicles generally reach their useful enforcement service life after approximate 4 to 7 years or by attaining approximately 50000 miles or greater with high amounts of idle hours on the vehicle. Maintenance plans and maintenance budgets may increase to maintain proper maintenance on an outdated police vehicle. Staff assumption would be that the vehicle is worth between \$15,000 to \$20,000 in its current condition.

The proposed vehicle will allow a continued, orderly, rotation of aging law enforcement fleet vehicles with newly acquired vehicles every 4 to 6 years that come with initial warranties that are reliable for officers to conduct public safety official business. This item is necessary to allow officers to respond to emergencies, conduct official business, or transport detained individuals.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Truck Cost (2024 quote)				\$45,500 to \$50,000		
	Upfit Cost				\$13,500 to \$15,000		
	Equipment/Radar Units				\$6,000-\$6,300 for all, \$2,500 to \$3,450 for just an in-squad radar		
	Total				\$65,000 to \$71,000		

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	2027 GO Note				\$47,000		
	Sale of Equipment				\$18,000		
	Totals				\$65,000		
	Total Cost	\$65,000					

Budget Impact/Other

2026 Budget Impact Analysis

In 2026, the Budget impact of this project would result in a reduction of \$47,000 from other General Fund levy areas. Additionally, Capital Improvements in 2025 would need to be scaled back to accommodate these financial adjustments.

2025 Budget Adjustments

- The budget reallocated **\$35,700** towards the Village Land Assessment project.
- To accommodate this shift, reductions were made in the following areas:
 - Engineering expenses (the reduction was deemed temporary)
 - Audit expenses (funds were shifted to other budget levy areas such as TIDs and Utilities, as they require audits and were previously covered by the general levy)
 - Street maintenance (\$20,000 reduction) to offset inflationary costs (this reduction was also deemed temporary and was scheduled to increase back in 2026).

2026 Budget Considerations

- The life insurance report received in February confirmed that rates have been frozen, providing some relief to the 2026 budget.
- Other Park expenditures were shifted off the levy and transferred to park users, creating additional flexibility in the operating budget.
- A temporary reduction Police Department in radio and maintenance supplies expenses by \$8,500 would also be required for this purchase. *(These funds for radios were taken from the PT Officer budget over the last 2 budget cycles. We are at a good place for radios currently. Any additional staff added, a new radio would be beneficial, but not necessarily needed for a PT Officer. I am working on a grant submittal to obtain radios, but there is no guarantee that will be awarded.)*
- Funding Constraints: If this project is scheduled for 2026, no other large Capital Improvement Project (CIP) outside of \$60,000 street-related projects can be undertaken due to insufficient General Levy capacity.

Conclusion

Careful planning and prioritization will be necessary to ensure fiscal responsibility while maintaining essential services and infrastructure. The decision to proceed with this project in 2026 should consider these financial constraints and the impact on other necessary expenditures.

Capital Improvement/Capital Equipment Request Form

Name of Project 5th Street – Main St to Washington (pt. of East to Main)
 Department Streets
 Total Project Cost \$120,000
 Date Submitted 8/1/2024
 Updated 3/31/2025

Village Management Rating: B	Village Board Rating: B	Utility Board Rating:
Net Project Rating: 3.0		

Description of Project/Justification:

In 2024, the Village Streets Superintendent and Village Administrator conducted a comprehensive inspection of every street within the Village, marking damaged sections on a map. Following this assessment, the Village Administrator accompanied the Village's contracted engineer to each identified section to determine the most effective repair solutions. This project outlines the estimated costs and recommended repairs based on the engineer's evaluation.

Additionally, this street the contracted engineer felt would make a good candidate for a county grant that can help reduce this cost.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	Construction					\$120,000	
	Professional Services						
	Contingencies 10%						
	Total	\$120,000				\$120,000	

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	General Fund					\$120,000	
	Budget / Debt Levy						
	Totals					\$120,000	
	Total Cost	\$120,000					

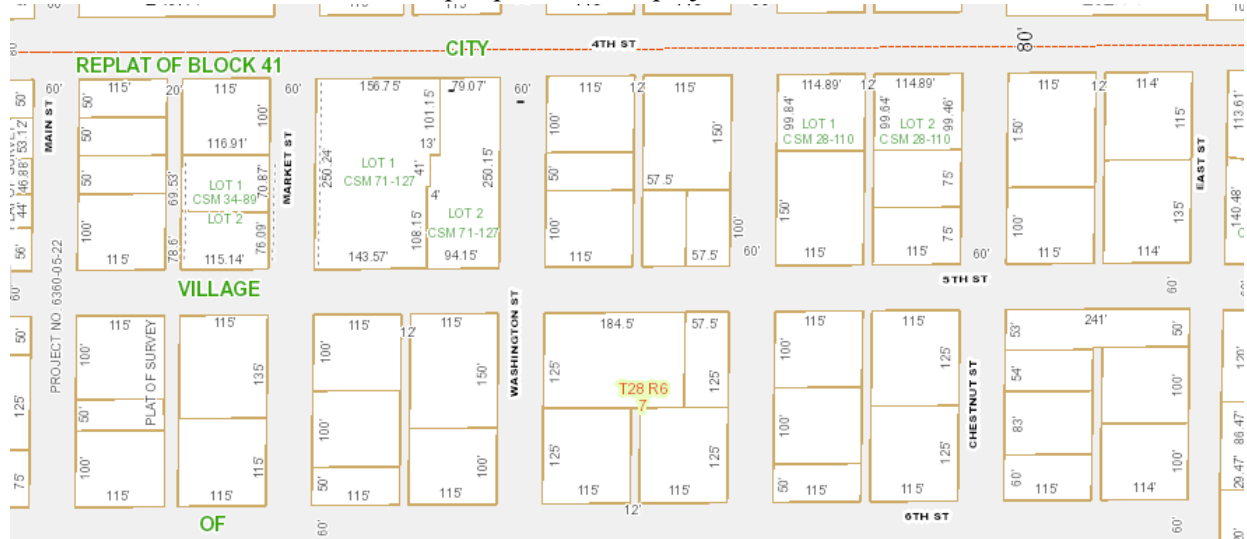
Budget Impact/Other

The 2025 budget initially allocated \$95,000 for Capital Improvements, with the condition that no borrowing would be required as long as expenses remained within this limit. The Village is exploring debt restructuring to free up an additional \$45,000 to \$55,000 annually within the Operating Budget. The goal is to increase annual funding for street projects to \$120,000.

However, despite this planned increase from \$60,000 to \$120,000, the Budget remains constrained due to two large scheduled projects in 2026-2027. As a result, funding for this project is unlikely unless the debt levy is increased.

General Fund Bonding / Debt Levy Options

- An alternative option would be to reconstruct smaller sections, perhaps the worst one or two blocks each year, which would lower the cost. However, this approach would not eliminate the need for borrowing unless we can fit it within the operating space of the General Fund Budget, and the only way to do that between 2025 – 2027 is to postpone another project of that cost.



Capital Improvement/Capital Equipment Request Form

Name of Project 1994 Steiner Utility Tractor
Department Streets
Total Project Cost \$60,000
Date Submitted 8/1/2024
Updated 3/31/2025

Village Management Rating: C Village Board Rating: D
Net Project Rating: 1.5

Description of Project/Justification:

The Village Streets Department currently uses a 1994 Steiner Utility Tractor for snow removal, grass cutting, and various other tasks. While the tractor has been well-maintained and continues to operate efficiently for its age, it has far exceeded its expected lifespan. To ensure better performance and reliability, the Village should consider replacing it with a newer model that meets operational needs more effectively.

Prior	Expenditures	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	New Utility Tractor					\$60,000	
	Total	\$60,000					

Prior	Funding	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
	General Fund Budget / Debt Levy					\$2,000	
	2027 GO Note					\$58,000	
	Totals					\$60,000	
	Total Cost	\$60,000					

Budget Impact/Other

The 2025 Budget initially allocated \$95,000 for Capital Improvements, with the condition that no borrowing would be required as long as expenses remained within this limit. The Village is exploring debt restructuring to free up an additional \$45,000 to \$55,000 annually within the Operating Budget. The goal is to increase annual funding for street projects to \$120,000.

However, despite this planned increase from \$60,000 to \$120,000, the Budget remains constrained due to two large scheduled projects in 2026-2027. As a result, funding for this project is unlikely unless the debt levy is increased.

General Fund Bonding / Debt Levy Options

- 15-Year Street Bond (\$60,000):
 - Annual Payment: \$6,392
 - Total Paid Over 15 Years: \$95,870
- Debt Levy Impact (if used over 15 years):
 - \$0.053 per \$1,000 assessed value
 - \$10.64 additional tax on a \$200,000 home

VILLAGE OF MARATHON CITY RESOLUTION NO. 2025-07-02A

MARATHON CITY 2025 – 2029 CAPITAL IMPROVEMENT PLAN

WHEREAS: The Village Board through strategic planning identified the continued investment in the Village's Capital Infrastructure as a core goal of the community; and

WHEREAS: The Management Team and staff analyzed the existing infrastructure, municipal buildings, and new equipment needs of the Village; and

WHEREAS: The Management Team after deliberate comparison of the data against the stated goals of the Village Board did recommend to the Village Board a Capital Improvement Plan from 2025 through 2027; and

WHEREAS: The Village Board took site visits to examine the project areas, reviewed the CIP plan and prioritized the urgency of the projects to construct a 2025 – 2029 CIP; and

WHEREAS: The Village Board reviewed financing and restructuring of existing debt to fund the first two-year 2025-2027 funding cycle along with leaving the debt structure with the ability to fund the next projects in the 2028-2029 funding cycle to be approved in 2027, and

WHEREAS: The Village Board developed a final plan listing estimated costs and timing of such projects, in comparison with Village financial ability.

NOW, THEREFORE, BE IT RESOLVED by the Village Board of the Village of Marathon City, Marathon County, Wisconsin, that:

The Capital Improvement Program covering the years 2025 to 2029 is adopted as presented and Village Staff is directed to carry out the intent of that plan.

The Village Board in 2027 at the appropriate time will review, update a 2027 to 2031 CIP, and authorize the 2028-2029 two-year funding cycle to ensure consistency with the goals of the community, financial flexibility, and efficient and timely completion of the plan.

The Village Board hereby authorizes the 2025 - 2027 funding and borrowing cycle portion of the plan in order to allow staff sufficient time to efficiently implement that work and the detailed borrowing structure/design for that two-year cycle to be brought forth to the Finance Committee and Village Board for approval.

ADOPTED July 2, 2025

APPROVED



Kurt Handrick, Jr., Village President

ATTEST



Cassie Lang, Clerk / Deputy Treasurer

2030 to 2035 and up - All Projects to be Re-Evaluated in 2027 Funding cycle and could change pending board decision at that time																	
Year	PROJECT LIMITS	Department	Future GO Note	MSID Grant 50/50 Split	General Fund Budget	Sale of Equipment/ capital	American legion / Park contract	Donation/Park fund (500)	TID 1 - Bond	Water Budget	Sewer Budget	Utility Fund Balance / Reserve Fund	Water Loan	Sewer Loan (rate increase)	DNR Safe Drinking Water Loan (low interest rate)	Total Project Cost	Notes
2030	5th Spruce Street to Main Street	Public Works	\$417,949.84													\$417,949.84	Maybe do the very bad parts under the budget. \$120K gets two block done at a time. No room within budget.
2030	5th - Washigton Street to Hickory St (part of Main to East St project due to self funding)	Public Works			\$60,000.00											\$60,000.00	Maybe do the very bad parts under the budget. \$120K gets two block done at a time. No room within budget.
2030	5th - Chestnut Street to East Street	Public Works			\$60,000.00											\$60,000.00	
2030	Water Plant Chemical Room Upgrade	Water Utility								\$21,000.00		\$70,000.00				\$91,000.00	
2030	Ordinance- Codification, Supplementation, and Online Hosting	Administration			\$32,334.00											\$32,334.00	Needed, no budget space
2031	Washington Street Reconstruction (6th St to 7th St)	Public Works	\$28,575.00		\$120,000.00								\$66,090.50	\$66,090.50		\$280,756.00	Removed due to General Fund Situation. Note: Large inflation if project is pushed back. Utility can pay its part of the project, not Streets.
2031	2002 CAT Loader/Plow	VOM	\$380,000.00													\$380,000.00	
2032	2023 Dodge Durango Replacement	Public Safety	\$47,000.00			\$18,000.00										\$65,000.00	
2032	Water Main Loop Project	Water Utility												\$927,725.00		\$927,725.00	Water Rate increase needed or grant funding
2032	Spruce St - 4th to 5th	Public Works			\$39,497.92											\$39,497.92	
2032	Walnut / Maraview Dr (Culvert Replacement)	Public Works			\$15,000.00											\$15,000.00	
2032	Chestnut Street - 6th to 7th	Public Works			\$51,777.88											\$51,777.88	
2033	Pine Street – 3rd to 4th	Public Works			\$67,513.60											\$67,513.60	
2033	7th Street – Chestnut Street to Washington	Public Works	\$197,520.40													\$197,520.40	
2033	6th Street – Washington Street to Hickory Street	Public Works			\$93,216.82											\$93,216.82	
2034	Hickory Street – 6th to 7th	Public Works			\$89,615.68											\$89,615.68	
2034	Pine Street – 2nd North to Cul-De-Sac	Public Works			\$40,823.06											\$40,823.06	
2035	Hemlock Street – 8th to 7th	Public Works			\$103,882.24											\$103,882.24	
2035	Washington Street – 2nd to 3rd	Public Works			\$89,763.52											\$89,763.52	
2036	Hickory Street – 1st to 2nd	Public Works			\$54,445.16											\$54,445.16	
?	1990 Idaho Norland loader Mounted Snow Blower	VOM	\$175,000.00													\$175,000.00	
?	Drainage Retention Pond - Culvert – 4th Street	Public Works			\$30,000.00											\$30,000.00	
Total Cost			\$1,246,045.24	\$0.00	\$917,869.88	\$18,000.00	\$0.00	\$0.00	\$0.00	\$21,000.00	\$0.00	\$70,000.00	\$66,090.50	\$993,815.50	\$0.00	\$3,332,821.12	



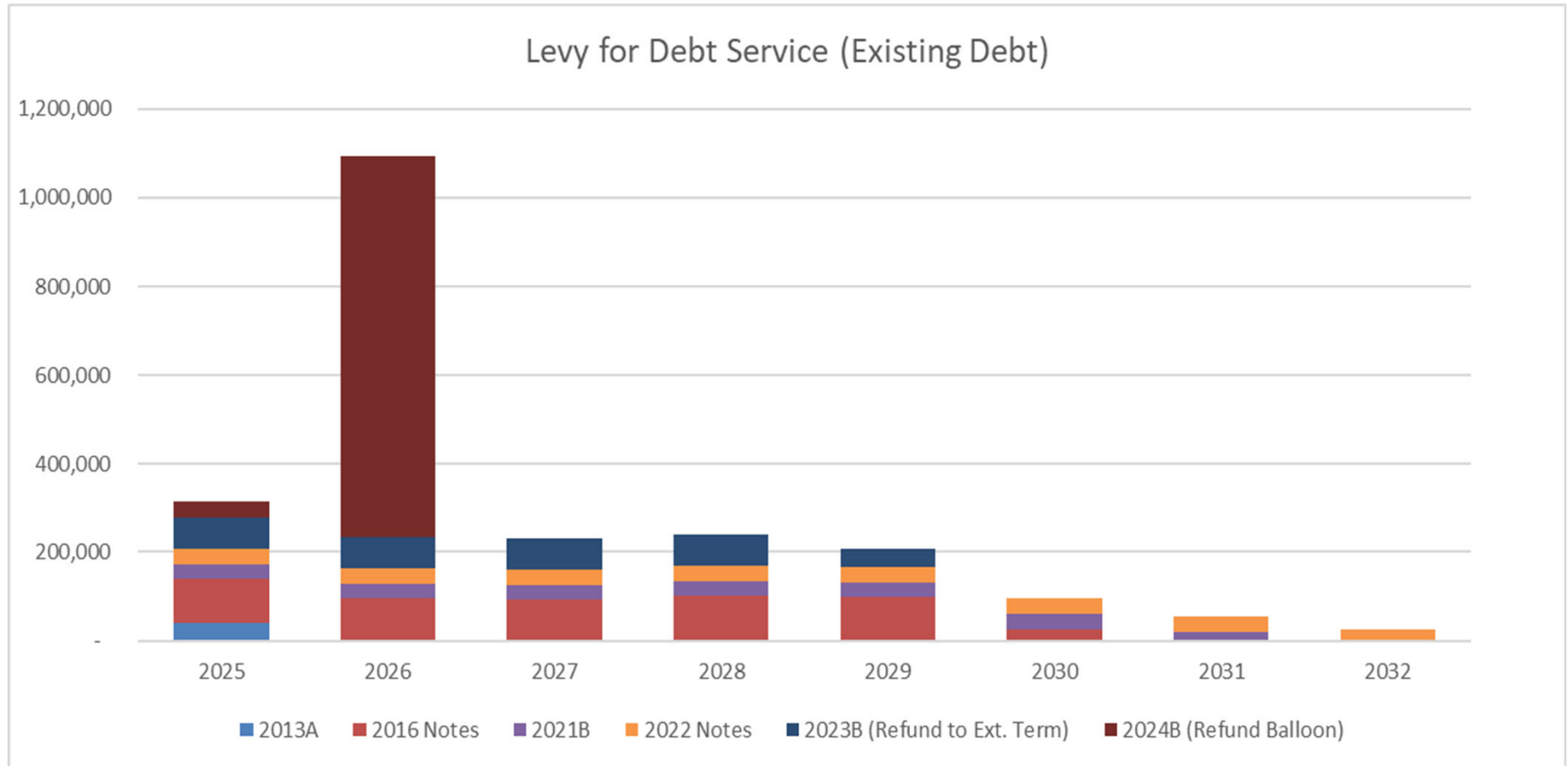
Village of Marathon City - G.O. Notes 2025

June 19, 2025

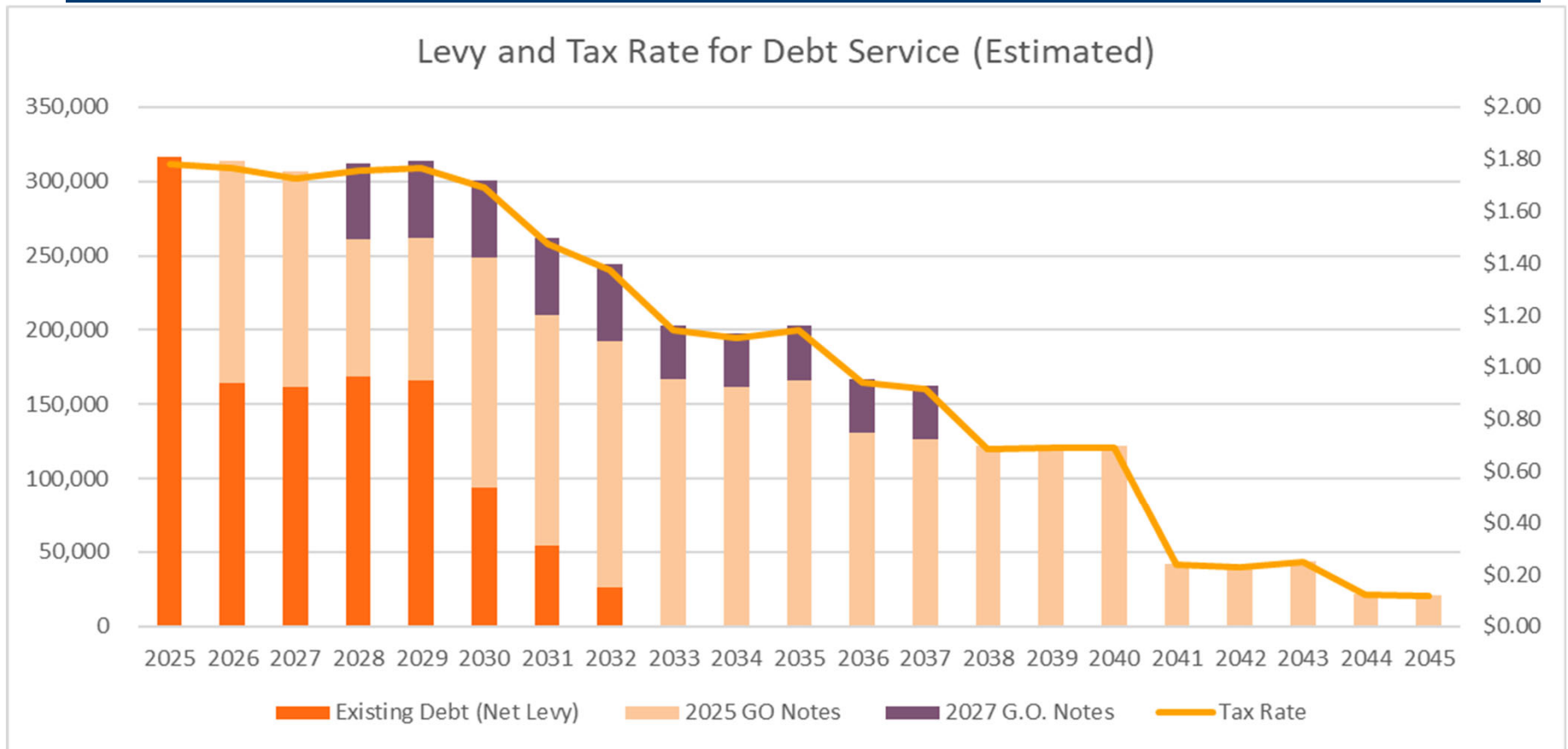
Objectives

- Discuss proposed capital projects and potential refunding opportunities for the 2025 G.O. Promissory Notes
- Review the Village's current levy-supported debt obligations
- Review structuring goals of the 2025 G.O. Notes and anticipated future borrowing
- Review refunding objectives and review TID 1 cash flow
- Difference between Issuing public securities vs. local bank loans
- Review the preliminary issuance timeline

Current Outstanding Debt – Levy Supported



G.O. Promissory Notes, Series 2025A – Levy Supported



- Assumes the Village borrows for police and plow vehicles in 2027 - \$340,000 G.O. Note.
- Deferring principal increases total interest paid over the term of the Notes.

2025 G.O. Promissory Notes – Debt Service Schedule

Year Ending	Principal	Est. Rate	Interest	Total
2026	165,000	3.950%	291,300	456,300
2027	210,000	3.950%	226,523	436,523
2028	180,000	3.950%	218,228	398,228
2029	495,000	3.950%	211,118	706,118
2030	535,000	4.050%	191,565	726,565
2031	460,000	4.100%	169,898	629,898
2032	450,000	4.150%	151,038	601,038
2033	595,000	4.200%	132,363	727,363
2034	620,000	4.300%	107,373	727,373
2035	655,000	4.350%	80,713	735,713
2036	135,000	4.450%	52,220	187,220
2037	140,000	4.500%	46,213	186,213
2038	140,000	4.550%	39,913	179,913
2039	145,000	4.600%	33,543	178,543
2040	155,000	4.700%	26,873	181,873
2041	80,000	4.800%	19,588	99,588
2042	85,000	4.850%	15,748	100,748
2043	90,000	4.900%	11,625	101,625
2044	70,000	4.950%	7,215	77,215
2045	75,000	5.000%	1,875	76,875
Total	5,480,000		2,034,925	7,514,925

Now financing \$368K street sweeper option

**Rates are "NR" + 50 bps

Issue Summary

Dated Date:	8/1/2025
First Interest Payment:	5/1/2026
First Principal Payment:	11/1/2026
True Interest Cost (TIC):	4.54%
All Inclusive Cost (AIC):	4.76%

Sources and Uses

Sources

Transfers from Prior Debt Service Funds	75,019
Planned Issuer Cash (grant) contribution	219,757
Par Amount of Bonds	5,480,000
Total Sources	\$5,774,776

Uses

Total Underwriter's Discount	68,500
Costs of Issuance	79,850
Deposit to Project Construction Fund	1,475,143
Deposit to Current Refunding Fund	4,147,665
Rounding	3,618
Total Uses	5,774,776

2025 Capital Projects



Street Maintenance - \$54,648 (Levy - 10 Year Term)



Street Sweeper - \$368,000 (Levy - 15 Year Term)



Park Project - \$258,282 (Levy – 20 Year Term)



Sewer CIP Project - \$674,213 (Sewer – 20 Year Term – first two years interest only)



Water CIP Project - \$120,000 (Water – 10 Year Term)



Total Capital Projects funded by 2025 Notes: \$1,475,143

2025 Current Refunding Candidates

G.O. Promissory Note, Series 2023C (Water)	G.O. Promissory Note, Series 2023B (Streets)	G.O. Promissory Note, 2023A (TID 1)	G.O. Promissory Note, Series 2024B	G.O. Promissory Note, Series 2024A (Fire)
<ul style="list-style-type: none">• Refunding to restructure final maturity – from 2029 to 2035• Goal: Lower debt payments to ease revenue requirements on water utility fund<ul style="list-style-type: none">• Payments from approx. \$71K to \$28K• Savings are relatively even	<ul style="list-style-type: none">• Refunding to restructure final maturity – from 2029 to 2035• Goal: Lower debt payments to achieve more uniform total debt levy in 2026-2030.<ul style="list-style-type: none">• Payments from approx. \$69K to \$27K• Savings are relatively even	<ul style="list-style-type: none">• Refunding balloon payment due in 2033• Goal: to maximize lower rates to amortize the balloon maturity out to 2034 and 2035• Balloon maturity will need to be extended at some point unless TID generates enough cash to pay the \$1.267MM	<ul style="list-style-type: none">• Refund \$829,212 in Street and Park improvements• Village plans to Contribute \$219,757 in grant funds toward refunding• Goal: Balloon payment due in 2026 and will need to be refinanced	<ul style="list-style-type: none">• Goal: refund for savings

2025 Current Refunding - \$2,500,000 G.O. Prom Note, Ser23A (TID 1)

Existing Debt Service Be Refunded (No Longer Paid)			Proposed Debt Service After Refunding (to be Paid)			Prior Issue DS Funds	Total Savings
\$2,500,000 G.O. Promissory Note, Ser23A			G.O. Promissory Notes, Series 2025A				
Year	Rate	Total P&I	Year	Rates	Total		
2025	0.00%	0	2025		-	0	0
2026	5.20%	180,000	2026	3.95%	176,469		3,531
2027	5.20%	170,000	2027	3.95%	167,595		2,405
2028	5.20%	165,000	2028	3.95%	160,225		4,775
2029	5.20%	470,000	2029	3.95%	468,053		1,948
2030	5.20%	420,000	2030	4.05%	418,635		1,365
2031	5.20%	325,000	2031	4.10%	320,270		4,730
2032	5.20%	325,000	2032	4.15%	320,225		4,775
2033	5.20%	1,267,658	2033	4.20%	459,643		808,015
2034			2034	4.30%	462,633		(462,633)
2035			2035	4.35%	464,358		(464,358)
Total		3,322,658	Total		3,418,104		(95,446)
						Plus Rounding	(2,417)
						FUTURE VALUE SAVINGS NET OF COSTS	(97,863)

Notes:

*Assumes "NR" rates + 50 bps

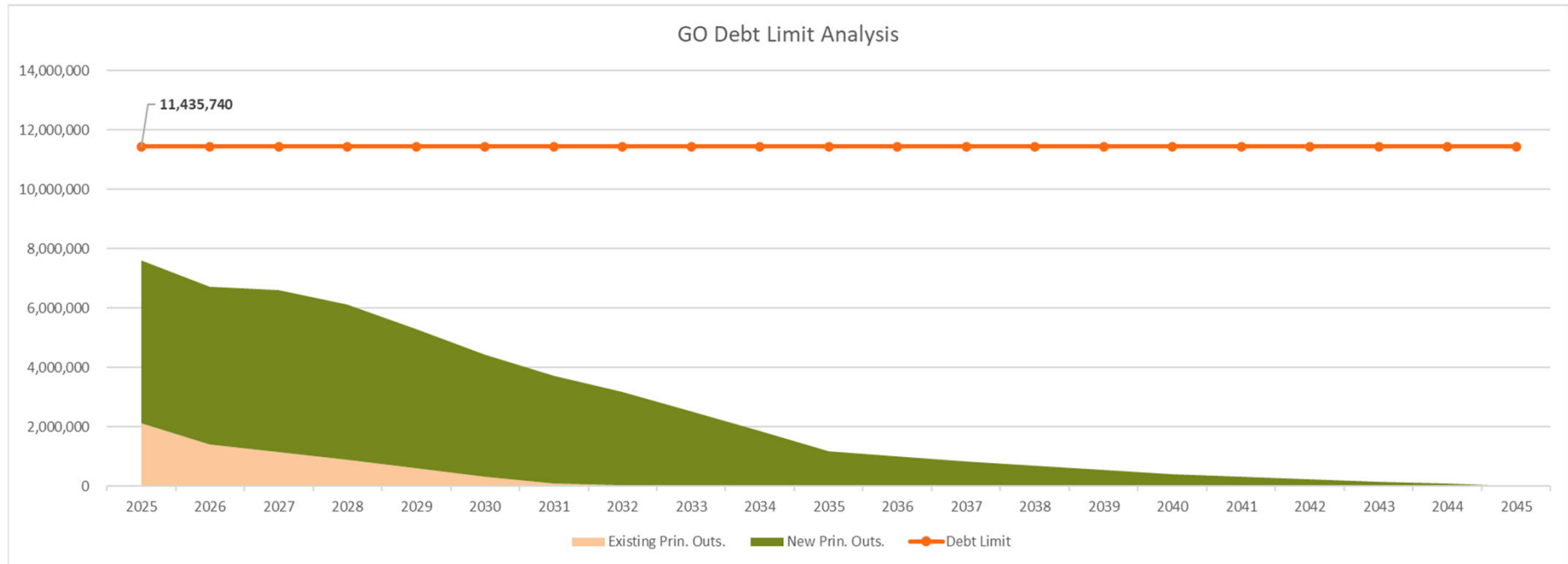
The projected negative savings is driven by the assumption that the Village pays in cash the 2033 maturity (\$1,267,658) of the 2023A Note.

2025 Current Refunding - \$2,500,000 G.O. Prom Note, Ser23A (TID 1)

REVENUES							
Valuation Year	Revenue Year	New Valuation	TID No. 1 Value Increment	Tax Rate	Projected Tax Increment	Projected Additional General Fund Advances	Intergov. Payments / Other Revenues
2023	2024	-	45,971,100	17.92	823,863	54,246	71,220
2024	2025	-	45,971,100	17.92	823,863	131,052	71,220
2025	2026	-	54,021,100	17.92	968,130		71,220
2026	2027	8,050,000	54,021,100	17.92	968,130		71,220
2027	2028	-	54,021,100	17.92	968,130		71,220
2028	2029	-	54,021,100	17.92	968,130		71,220
2029	2030	-	54,021,100	17.92	968,130		71,220
2030	2031	-	54,021,100	17.92	968,130		71,220
2031	2032	-	54,021,100	17.92	968,130		71,220
2032	2033	-	54,021,100	17.92	968,130		71,220
2033	2034	-	54,021,100	17.92	968,130		71,220
2034	2035	-	54,021,100	17.92	968,130		71,220

PRIMARY USE OF TID 1 REVENUES				SECONDARY USE OF TID 1 REVENUES								Total	Annual Balance	Cumulative Balance
Total Tax Increment Revenues	\$1,873,000 Tax Inc. Revenue 2020	\$4,000,000 Tax Inc. Revenue 2022	Total TID No. 1 Rev. Debt	Remaining TID No. 1 Revenues	\$2,520,000 G.O. Ref. Bonds 2013	\$500,000 State Trust Fund Loan 2015	Refunded \$2,500,000 G.O. Prom. Note 2023	G.O. Prom Notes 2025	Development Agreement Payments	General Fund Advance Repayment	Other Est. TID 1 Expenses			
949,330	211,190	180,406	391,595	557,734	248,675	65,880	160,000		31,250	-	51,929	557,734	-	188,535
1,026,135	532,313	249,433	781,746	244,389			180,000	176,469	31,250	-	33,139	240,858	3,531	192,066
1,039,350	541,435	245,738	787,173	252,177			170,000	167,595	31,250	-	33,139	231,984	20,193	212,260
1,039,350	243,127	237,042	480,169	559,181			165,000	160,225	31,250	-	33,139	224,614	334,567	546,827
1,039,350		533,541	533,541	505,809			470,000	468,053		-	33,139	501,192	4,617	551,444
1,039,350		628,370	628,370	410,980			420,000	418,635		-	33,139	451,774	(40,794)	510,650
1,039,350		623,920	623,920	415,430			325,000	320,270		-	33,139	353,409	62,021	572,671
1,039,350		628,887	628,887	410,463			325,000	320,225		-	33,139	353,364	57,099	629,770
1,039,350		627,881	627,881	411,469			1,267,658	459,643		-	33,139	492,782	(81,312)	548,458
1,039,350		626,097	626,097	413,253				462,633		-	33,139	495,772	(82,518)	465,940
1,039,350		628,535	628,535	410,815				464,358		252,486	33,139	749,982	(339,167)	126,773

G.O. Debt Capacity Limit Analysis



- Includes \$5.480MM 2025 G.O. Notes and \$340K 2027 G.O. Note
- 2024 Equalized Value \$229 million
- Debt Limit = $EV \times 5\% = \$11.436$ million
- No growth assumed in EV for future years

Methods of Financing

- Issuing Notes at the local bank
 - ✓ Local banks prefer purchasing debt that matures within 10 years
 - ✓ Low cost of issuance with higher interest rates
 - ✓ Flexible Terms – No Prepayment Penalty
 - ✓ Ideal for smaller loan size
 - ✓ Buy and Hold
- Issuing Notes in Capital Markets
 - ✓ Low interest rates with higher cost of issuance
 - ✓ Access to larger pool of capital
 - ✓ More restrictive call dates
 - ✓ Ideal for larger issues
 - ✓ Securities are tradable – Liquid market
 - ✓ *Village has experience issuing in the Capital Markets*

Tentative Timeline

- July 2 – Approve CIP and finance plan and adopt initial resolutions
- Week of July 21 – Due Diligence Call to Review Official Statement
- July 30 – Distribute Official Statement
- August 6 – Day of sale
- August 27 – Estimated closing date



Important Disclosures

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