WATERFORD UNION HIGH SCHOOL DISTRICT · FINANCE COMMITTEE

Athletic Complex — The Need and How We Could Fund It

Discussion handout — September 2026. Purpose: get the conversation started. This is not a request for dollars.

THE SEPTEMBER ASK: Endorse the need and authorize the district to develop funding options. No spending is approved tonight.

1. The Why

The stadium's core infrastructure is at or past its service life, and four elements are approaching stated deficiencies: an ADA-compliant concourse/accessible route, lighting, track, and the bleachers. A preliminary scope prepared with POB (Aug 28, 2026) frames the full need at roughly \$6.0M, including ~30% soft costs:

Scope element	Est. cost
Track, field/turf, and lighting	≈ \$3.6M
Bleachers & press box (≈ 2,000 seats)	≈ \$2.0M
Plaza / ADA-accessible concourse	≈ \$0.4M

The ADA concourse and bleacher replacement are the clearest documented deficiencies for the stadium proper. The complex also will serve broad community and youth use, a key point for the funding approach below.

How we got here (agreed July 2026):

- **September** — the Why (this handout). Endorse the need; authorize developing funding options.
- **October** — the How. Fund 46 and Fund 80 capacity, with the business office.
- **November** — Board approval to proceed to design.
- **Following** — renderings, naming rights, and sponsor solicitation.

2. How It Could Be Funded (all contingent on audit, legal, and DPI sign-off)

The project is built from a stack of sources, not a single loan and does not include referendum. Borrowing is the last piece and is minimized by the others:

- \$4.0M — G.O. promissory note (Fund 38), with debt service levied in Fund 80.
- ≈ \$1.0M — Fund 46 (capital projects trust).
- ≈ \$1.0M — bond proceeds / construction reserves & contingency, within the existing referendum language.
- Grants, stadium sponsors, donations, and fundraising — reduce the amount borrowed.

The linchpin: levying the Fund 38 debt service in Fund 80 depends on the complex qualifying as a genuine community-service facility. This must be cleared by the auditor, legal counsel, and DPI before any borrowing proceeds.

Why the district has room to do this:

We currently levy about \$4.6M in Fund 39, but actual required debt service drops to about \$2.2M/year starting with the Fall 2027 levy. That gap is real capacity — enough to carry a \$4M note without raising the overall levy. PMA prepared two structures for the \$4M note (dated 3/1/2027; first payment 3/1/2028; first levy Fall 2027; est. 4.25%):

	Scenario 1 — 5-yr level	Scenario 2 — keep levy level (2-yr)
New annual payment	≈ \$906K/yr, 2028–2032	\$2.38M (2028), \$1.86M (2029)
Total interest	\$532,100	\$247,563 (saves ≈ \$285K)
Combined debt levy	Drops to ≈ \$3.1M → mill rate declines	Holds ≈ \$4.6M for 2 yrs, then drops
Payoff	2032	2029

A third option: levy about $1.3M directly in Fund 80 this Fall (in place of part of the Fund 39 levy, keeping the mill rate flat), spend it straight on the project, and borrow less. It saves interest — but it commits tax dollars before the project is approved, so it only fits once the project is certain to proceed in spring/summer 2027.

3. Recommendation

Plan around Scenario 2 (keep the levy level, 2-year payoff).

- Holds the mill rate flat — consistent with the district's message of a stable rate for seven-plus years.
- Retires the $4M in two years and costs about $285K less in interest than Scenario 1.
- Uses Fund 39 levy capacity that already exists, so no new burden on taxpayers.

Keep the direct-cash option (Option 3) on the table for the October/November discussion, once project certainty firms up. Scenario 1 remains available if the committee prefers to lower the mill rate rather than hold it flat. Every option is contingent on audit, legal, and DPI clearing the Fund 38-in-Fund 80 approach.

Before this goes to the full board for approval — data to gather

- Coach & community-use survey: hours by program, cancellations/relocations last season, requests declined (July 30 action item).
- Track: last resurfacing date, condition assessment, WIAA hostability status (Ryan Anderson; Oregon, WI track company).
- Bleachers: capacity, age, latest inspection findings, handrail status (Josh Wensing).
- Lighting: existing type, age, remaining service life.
- Fund 46 and Fund 80 current balances and permissible uses (Angela Sossaman, DPI, Baker Tilly, and Legal Counsel).
- Photos: track surface, worn field center, bleacher condition, current accessible route.
- Two or three conference comparables — scope and year.

Sequencing note: the softball-relocation conversation with Waterford Graded (Tony Spence, Sept 29 and POB project scope and budget, September 30) overlaps this proposal. If softball moves, the site plan changes.

Sources: Jim's Aug 20, 2026 B&G memo; POB preliminary project budget (Aug 28, 2026) and Aug 31 recap; Jim & Luke running agenda (July 30, 2026); athletic field grants tracker; Waterford stadium materials on file; PMA Securities financing scenarios 1 & 2 (Sept 18, 2026).