

SCSA

Santa Clara Stadium Authority

SANTA CLARA STADIUM AUTHORITY FINANCIAL STATUS REPORT

Quarter Ending December 31, 2022



March 21, 2023

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Introduction

This Santa Clara Stadium Authority (“Stadium Authority”) Financial Status Report provides information covering the third quarter of the Stadium Authority’s 2022/23 fiscal year (“FY”) which ended on December 31, 2022. Comparative data from prior fiscal years is also included.

In addition to these quarterly reports, the Stadium Authority produces annual financial statements. The FY 2021/22 financial statements were audited by an external audit firm and presented to the Stadium Authority’s Audit Committee on September 30, 2022 and approved by the Stadium Authority Board (“Board”) on November 1, 2022. The financial statements are published on the Stadium Authority’s website.

The Stadium Authority also prepares a detailed budget prior to the beginning of each fiscal year. The FY 2022/23 budget was adopted by the Board on March 15, 2022.

Stadium Authority finances are structured so that the City of Santa Clara (“City”) is not liable for the debts or obligations of the Stadium Authority. All services provided by the City, including administrative and public safety, to the Forty Niners Stadium Management Company, LLC (“Stadium Manager”) or the Stadium Authority are fully reimbursed with Stadium Authority funds.

Methodology

Information provided in this report was based in part on documentation submitted by the Stadium Manager. Specifically, National Football League (NFL) and Non-NFL event statistics and financial information relating to the Stadium Manager expenses are provided by the Stadium Manager. Stadium Authority staff has access to selected financial information submitted by the Stadium Manager provided through the Stadium Authority’s Financial Management System and event reports received for Non-NFL events. These reports are received 45 days after each event for events with attendance greater than 25,000. More detailed documents for the events are received within 90 days after the close of the quarter. For all other financial information, a full detailed review and/or audit of source documentation has not been completed by the Stadium Authority for this report and would be completed at fiscal year-end.

The Stadium Authority has contracted with JS Held (formerly Hagen, Streiff, Newton, & Oshiro), a forensic accounting firm, to review and evaluate Non-NFL event financial information from prior years, including source documentation. This report was discussed with the Board at the December 1, 2020 Stadium Authority Board meeting. The Stadium Authority is working with JS Held for the review of additional historical years. Those reports are expected to be presented to the Audit Committee in the next quarter.

The information provided is based on the best known and available information at the time of the writing of this report and is subject to further revision and review. Revisions may occur based on the timing of revenue and expenditure activity for events in this quarter that continue beyond the timing of this report. Consequently, the Board’s notation and filing of this report should not be considered an approval of the accuracy of the information in the report.

NFL Events

This section provides year to date and comparative data for NFL games categorized as pre-season and regular season games.

The San Francisco Forty-Niners (“49ers”) played a total of nine NFL games (one pre-season games and eight regular season game) at Levi’s® Stadium as of December 31, 2022. There was a total of 624,746 tickets sold to these NFL games, an average of 69,416 per game. This is up by an average of 2,244 or 3% per game when compared to the same period in the prior fiscal year. The ticket sales resulted in \$10.4 million in NFL ticket surcharge revenue (10% of ticket sales) to the Stadium Authority. The average NFL ticket surcharge revenue was \$1.2 million per game in the current year which is up by \$164,660 or 17% from the same period in the prior fiscal year. A total of \$219,000 of Senior and Youth Program Fees, which is based on \$0.35 per NFL ticket sold, were collected through the end of the third quarter of the fiscal year. These fees were transferred to the City’s General Fund in support of such programs.

A total of 66,868 cars were parked in the permitted offsite parking lots generating \$410,000 in offsite parking fees. The overall number of cars parked in the permitted offsite lots declined by an average of 86 cars per game or -1% when compared to the prior fiscal year.

There was an estimated \$4.0 million of NFL event public safety costs in the current reporting period which is an average of \$448,641 per game. This is down from the prior year average of \$503,792 by \$55,151 or -11%. Of the \$4.0 million NFL event public safety costs, \$3.2 million or 80% are direct City costs and \$797,000 or 20% are outside agency costs. \$410,000 of the total NFL event public safety costs are covered by the offsite parking fees that were collected and the remaining are invoiced to the Stadium Manager. NFL event public safety cost invoices are provided to the Stadium Manager approximately 45 days after the game date which will be fully reimbursed to the City.

Statistics for the NFL games held at Levi’s® Stadium in the first three quarters of the 2022/23 fiscal year are shown in Table 1 and comparative data from all nine years of operations can be found in Table 2.

Table 1

Levi's® Stadium
2022/23 NFL Event Statistics
As of December 31, 2022

	Game 1 vs Packers 08/12/22	Game 2 vs Seahawks 09/18/22	Game 3 vs Rams 10/03/22	Game 4 vs Chiefs 10/23/22	Game 5 vs Chargers 11/13/22	Game 6 vs Saint 11/27/22	Game 7 vs Dolphins 12/04/22	Game 8 vs Buccaneers 12/11/22	Game 9 vs Commanders 12/24/22	2022/23 YTD Total
No. of Tickets Sold	66,747	69,759	69,674	69,881	69,698	69,479	69,868	69,755	69,885	624,746
NFL Ticket Surcharge	\$ 541,108	\$ 999,315	\$ 996,116	\$ 1,650,552	\$ 1,017,704	\$ 997,334	\$ 1,016,788	\$ 2,173,980	\$ 989,437	\$ 10,382,333
Senior/Youth Program Fees	\$ 23,361	\$ 24,416	\$ 24,386	\$ 24,458	\$ 24,394	\$ 24,318	\$ 24,454	\$ 24,414	\$ 24,460	\$ 218,661
Cars Parked at Offsite Lots	4,830	6,873	6,104	7,382	8,360	8,612	8,526	8,256	7,925	66,868
City Offsite Parking Fee	\$ 29,608	\$ 42,131	\$ 37,418	\$ 45,252	\$ 51,247	\$ 52,792	\$ 52,264	\$ 50,609	\$ 48,580	\$ 409,901
Cars Parked on Tasman Lots	-	-	-	-	-	-	-	-	-	-
City Tasman Lot Parking Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stadium Public Safety Costs ⁽¹⁾	\$ 393,521	\$ 437,541	\$ 448,600	\$ 464,709	\$ 487,576	\$ 456,631	\$ 455,262	\$ 471,581	\$ 422,345	\$ 4,037,765
Less: Offsite Parking Fee Credit	\$ (29,608)	\$ (42,131)	\$ (37,418)	\$ (45,252)	\$ (51,247)	\$ (52,792)	\$ (52,264)	\$ (50,609)	\$ (48,580)	\$ (409,901)
Reimbursable Stadium Public Safety Costs	\$ 363,913	\$ 395,410	\$ 411,183	\$ 419,457	\$ 436,329	\$ 403,839	\$ 402,998	\$ 420,971	\$ 373,765	\$ 3,627,864
Amount Reimbursed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

⁽¹⁾ Includes estimated stadium public safety costs from outside agencies

Table 2

Levi's® Stadium
Historical NFL Event Statistics

	2014/15 Q3 Total	2015/16 Q3 Total	2016/17 Q3 Total	2017/18 Q3 Total	2018/19 Q3 Total	2019/20 Q3 Total	2020/21 Q3 Total	2021/22 Q3 Total	2022/23 Q3 Total
No. of NFL Events	10	9	9	10	10	10	-	9	9
No. of Tickets Sold	682,095	602,268	588,794	643,189	651,237	662,731	-	604,546	624,746
NFL Ticket Surcharge	\$ 8,366,290	\$ 7,448,271	\$ 7,403,778	\$ 7,806,190	\$ 8,076,510	\$ 8,412,291	\$ -	\$ 8,900,398	\$ 10,382,333
Senior/Youth Program Fees	\$ 238,734	\$ 210,794	\$ 206,078	\$ 225,116	\$ 227,933	\$ 231,956	\$ -	\$ 211,591	\$ 218,661
Cars Parked at Offsite Lots	90,024	51,375	61,310	54,107	56,390	64,960	-	63,718	66,868
City Offsite Parking Fee	\$ 442,919	\$ 260,985	\$ 321,264	\$ 293,260	\$ 317,476	\$ 380,016	\$ -	\$ 376,573	\$ 409,901
Cars Parked on Tasman Lots	4,983	6,184	4,653	5,530	4,729	5,751	-	3,930	-
Cars Parked on Golf Course	233,306	18,823	-	-	-	-	-	-	-
City Tasman Lot and Golf Course Parking Fee	\$ 141,445	\$ 125,035	\$ 23,265	\$ 27,650	\$ 23,645	\$ 28,755	\$ -	\$ 19,650	\$ -
Stadium Public Safety Costs ⁽¹⁾	\$ 2,414,028	\$ 2,092,697	\$ 2,497,858	\$ 2,388,347	\$ 2,994,735	\$ 3,701,510	\$ -	\$ 4,534,124	\$ 4,037,765
Golf Course Public Safety Costs	\$ 180,766	\$ 71,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Event Public Safety Costs	\$ 2,594,794	\$ 2,163,698	\$ 2,497,858	\$ 2,388,347	\$ 2,994,735	\$ 3,701,510	\$ -	\$ 4,534,124	\$ 4,037,765
Less: Offsite Parking Fee Credit	\$ (442,919)	\$ (260,985)	\$ (321,264)	\$ (293,260)	\$ (317,476)	\$ (380,016)	\$ -	\$ (376,573)	\$ (409,901)
Reimbursable Stadium Public Safety Costs	\$ 2,151,875	\$ 1,902,713	\$ 2,176,593	\$ 2,095,087	\$ 2,677,259	\$ 3,321,494	\$ -	\$ 4,157,551	\$ 3,627,864
Total Amount Reimbursed	\$ 2,151,875	\$ 1,902,713	\$ 2,176,593	\$ 2,095,087	\$ 2,677,259	\$ 3,321,494	\$ -	\$ 4,157,551	\$ -

⁽¹⁾ Includes estimated stadium public safety costs from outside agencies

Non-NFL Events

This section provides annual and comparative data for Non-NFL Events categorized as events ranging from high school and college football games, international soccer matches, concerts, wedding fairs, and special events. During the current reporting period there were a total of 319,778 tickets sold for the seven ticketed Non-NFL events that were held, resulting in \$1.3 million Non-NFL event ticket surcharge revenue (from the \$4 per ticket Non-NFL event surcharge). The ticketed Non-NFL events in the current reporting period were large-scale events resulting in a large increase in the ticket surcharge revenue over the same period in the prior year. There were no ticketed events held during FY 2021/22 due to the COVID-19 pandemic.

The Stadium Manager reports that there were also 56 smaller special events held at Levi's® Stadium with 22,410 attendees during the current report period. Due to the pandemic, there were only 12 smaller special events held with 3,698 attendees during the entire FY 2021/22. Examples of these special events include corporate events of various sizes, weddings, holiday parties, high school dances, etc.

In correlation with increase in Non-NFL events held during the current reporting period, there were 35,302 cars parked at these offsite lots and the City has received \$215,000 in related offsite parking fees.

Total Non-NFL event public safety costs were \$2.5 million. As noted previously, this increase in cost is due to more events being held in the current year when compared to the prior year. Of these costs, \$215,000 were covered by the offsite parking fee. The remaining \$2.3 million were invoiced which has been fully reimbursed to the City.

Statistics for the seven Non-NFL ticketed events and 56 special events are shown in Table 3 and comparative data from all nine years of operations are shown in Table 4.

Table 3

Levi's® Stadium
FY2022/23 Non-NFL Event Statistics
As of December 31, 2022

	Coldplay 05/15/22	Grupo Firme 07/02/22	Red Hot Chili Peppers 07/29/22	The Weeknd 08/27/22	Mexico vs Colombia 09/27/22	Elton John Day 1 10/08/22	Elton John Day 2 10/09/22	2022/23 YTD Special Events	2022/23 YTD Total
No. of Scanned Attendees	50,308	29,995	43,205	45,716	56,404	40,275	36,796		302,699
No. of Tickets Sold	50,478	31,169	45,977	48,801	63,939	44,134	35,280		319,778
Non-NFL Ticket Surcharge	\$ 201,912	\$ 124,676	\$ 183,908	\$ 195,204	\$ 255,756	\$ 176,536	\$ 141,120		\$ 1,279,112
No. of Non-NFL Special Events								56	56
Non-NFL Special Event Attendees								22,410	22,410
Cars Parked at Offsite Lots	5,666	2,502	4,914	5,518	4,953	5,823	5,926	-	35,302
City Offsite Parking Fee	\$ 33,486	\$ 15,337	\$ 30,123	\$ 33,825	\$ 30,362	\$ 35,695	\$ 36,326	\$ -	\$ 215,155
Stadium Public Safety Costs	\$ 399,716	\$ 381,615	\$ 320,070	\$ 362,232	\$ 472,432	\$ 291,856	\$ 278,288	\$ 23,254	\$ 2,529,464
Less: Offsite Parking Fee Credit	\$ (33,486)	\$ (15,337)	\$ (30,123)	\$ (33,825)	\$ (30,362)	\$ (35,695)	\$ (36,326)	\$ -	\$ (215,155)
Reimbursable Public Safety Costs	\$ 366,230	\$ 366,277	\$ 289,948	\$ 328,407	\$ 442,070	\$ 256,161	\$ 241,962	\$ 23,254	\$ 2,314,309
Amount Reimbursed	\$ 366,230	\$ 366,277	\$ 289,948	\$ 328,407	\$ 442,070	\$ 255,974	\$ 241,962	\$ 21,379	\$ 2,312,247

Table 4

Levi's® Stadium
Historical Non-NFL Event Statistics⁽¹⁾

	2014/15 Q3 Total	2015/16 Q3 Total	2016/17 Q3 Total	2017/18 Q3 Total	2018/19 Q3 Total	2019/20 Q3 Total	2020/21 Q3 Total	2021/22 Q3 Total	2022/23 Q3 Total
No. of non-NFL Ticketed Events	7	15	17	11	11	8	-	-	7
No. of Tickets Sold	248,591	623,687	579,059	319,580	290,341	183,874	-	-	240,364
Non-NFL Ticket Surcharge	\$ 916,656	\$ 2,455,816	\$ 2,316,236	\$ 1,278,320	\$ 1,161,364	\$ 735,496	\$ -	\$ -	\$ 961,456
No. of Non-NFL Special Events	138	171	101	84	87	64	-	1	56
Non-NFL Special Event Attendees	42,808	97,747	43,526	51,928	32,593	22,155	-	-	22,410
Cars Parked at Offsite Lots	16,054	55,720	60,969	25,741	26,041	17,127	-	-	35,302
City Offsite Parking Fee	\$ 78,986	\$ 278,703	\$ 313,978	\$ 138,087	\$ 144,407	\$ 98,547	\$ -	\$ -	\$ 215,155
Cars Parked on Golf Course	8,566	21,572	9,562	-	-	-	-	-	-
City Golf Course Parking Fee	\$ 42,830	\$ 107,860	\$ 47,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stadium Public Safety Costs	\$ 1,217,852	\$ 3,003,358	\$ 2,938,082	\$ 1,601,824	\$ 1,948,594	\$ 1,556,785	\$ -	\$ 1,827	\$ 2,529,464
Golf Course Public Safety Costs	\$ 64,618	\$ 119,842	\$ 39,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Event Public Safety Costs	\$ 1,282,469	\$ 3,123,200	\$ 2,977,987	\$ 1,601,824	\$ 1,948,594	\$ 1,556,785	\$ -	\$ 1,827	\$ 2,529,464
Less: Offsite Parking Fee Credit	\$ (78,986)	\$ (278,703)	\$ (313,978)	\$ (138,087)	\$ (144,407)	\$ (98,547)	\$ -	\$ -	\$ (215,155)
Reimbursable Public Safety Costs	\$ 1,203,483	\$ 2,844,497	\$ 2,664,009	\$ 1,463,737	\$ 1,804,187	\$ 1,458,238	\$ -	\$ 1,827	\$ 2,314,309
Amount Reimbursed	\$ 1,203,483	\$ 2,844,497	\$ 2,664,009	\$ 1,463,737	\$ 1,804,187	\$ 1,458,238	\$ -	\$ -	\$ 2,312,247

⁽¹⁾ Includes Non-NFL special events.

Table 5 summarizes ticketed Non-NFL revenues and expenditures by event. There were 7 ticketed Non-NFL events held in FY 2022/23 and generated an average net profit of \$941,000 per event. The inclusion of this information is to provide a greater level of transparency and provide the overall financial results of the Non-NFL events.

Table 5

Levi's® Stadium
Ticketed Non-NFL Events Revenue and Expenditure Summary
FY 2022/23 Quarter 3

In Millions \$

Ticketed Event	Revenue	Expense	Net
Concert 1	\$ 2.0	\$ (0.9)	\$ 1.1
Concert 2	1.8	(1.1)	0.7
Concert 3	1.8	(0.8)	1.0
Concert 4	1.7	(0.4)	1.3
Concert 5	1.4	(0.3)	1.1
Concert 6	1.3	(0.3)	1.0
Sporting Event 1	1.5	(1.1)	0.4
Total Ticketed Non-NFL Net Revenue to Date	\$ 11.5	\$ (4.9)	\$ 6.6

Table 6 and 7 show net revenue for Non-NFL events by event type and event revenue and expense by category. For FY 2022/23, the Stadium Manager provided a projection of Non-NFL events net profits of a range from \$250,000 to \$1,750,000, as cited in the FY 2022/23 Adopted Stadium Authority Budget. In the first three quarters of FY2022/23, ticketed events and non-ticketed special events contributed \$6.6 million and \$2.0 million in net profits, respectively. Offset by \$496,000 of non-event specific other operating expenses, the Stadium Manager reported a net revenue of \$8.1 million for the current reporting period.

Table 6

Levi's® Stadium
Net Revenue for Non-NFL Events by Event Type
FY 2022/23 Quarter 3

Event Type	No. of Events	Net Revenue
Ticketed Events		
Concerts	6	\$ 6,131,747
Sporting Events: Soccer	1	451,890
Net Revenue from Ticketed Events	7	\$ 6,583,637
Net Revenue from Special Events (weddings, corporate events, etc.)	56	1,998,619
Other Operating Expenses ⁽¹⁾		(495,578)
Net Revenue from Non-NFL Events ⁽²⁾	63	\$ 8,086,678
Total Performance Rent Paid to City's General Fund ⁽³⁾		\$ -

⁽¹⁾ Other Operating Expenses are expenses not attributable to a specific event.

⁽²⁾ Net Revenue from Non-NFL Events does not include Non-NFL Event Ticket Surcharge of \$1.3 million.

⁽³⁾ Performance Rent is calculated as 50% of the net revenue from Non-NFL events less performance-based credit of 50% of Ground Rent and Public Safety Costs exceeding threshold which is part of an unsettled claim.

Table 7

Levi's® Stadium
Non-NFL Event Results by Category
FY 2022/23 Quarter 3

	2022/23 YTD Total
REVENUE:	
Special Event Revenue	\$ 5,609,499
Ticket Platform Fees	4,509,587
Suite Ticket Revenue	718,948
Parking	1,983,703
Food & Beverage - Ticketed Events	2,367,477
Food & Beverage - Special Events	611,421
Miscellaneous ⁽²⁾	2,170,608
Total Revenue	\$ 17,971,243
EXPENSE:	
Public Safety/Security	\$ 4,407,266
Event Staff	4,317,841
Parking	1,240,373
Food & Beverage - Special Events	3,331,315
General Event Related Expenses	4,976,086
Net Expense Reimbursements - Ticketed Events ⁽¹⁾	(9,144,862)
Miscellaneous ⁽³⁾	756,546
Total Expense	\$ 9,884,565
Total Non-NFL Net Revenue	\$ 8,086,678

⁽¹⁾ All Seating Bowl Revenue is allocated for distribution to the Event Licensee and is not considered as Stadium Authority Revenue. Revenue from Event Licensee is received in the form of expense reimbursements.

⁽²⁾ Includes venue rental fees, net merchandise sales, interest income, and other revenues.

⁽³⁾ Includes catered events department staff costs, non-event specific staff costs, and other expenses.

Discretionary Fund

The Discretionary Fund is funded by revenue equal to 50% of the Non-NFL Ticket Surcharge of \$4 per ticket. The seven ticketed Non-NFL events contributed \$640,000 to the Discretionary Fund in the reporting period. Table 8 shows the revenues and expenses in the Discretionary Fund since FY2014/15. The balance at the end of this reporting period was \$2.7 million.

Table 8

Discretionary Fund Reserve				
Fiscal Year	Beginning Balance	Revenue	Expenses	Ending Balance
2014/15	\$ -	\$ 715,770	\$ -	\$ 715,770
2015/16	715,770	1,238,542	714,028	1,240,284
2016/17	1,240,284	1,164,698	699,129	1,705,853
2017/18	1,705,853	768,564	1,209,342	1,265,075
2018/19	1,265,075	796,294	101,267	1,960,102
2019/20	1,960,102	367,748	-	2,327,850
2020/21	2,327,850	-	18	2,327,832
2021/22	2,327,832	-	(18)	2,327,850
2022/23	2,327,850	352,850 ⁽¹⁾	1	2,680,699

⁽¹⁾ This amount represents the current surcharges transferred to the Discretionary Fund.

Stadium Builder Licenses

The total principal value of currently active Stadium Builder Licenses (“SBLs”) is \$543.8 million and, as of December 31, 2022, 93% of the total principal value of all SBLs sold (i.e., \$506.2 million) had been collected.

SBL holders that finance their purchase pay an annual interest rate of 8.5% and payments are due by March 1st each year. The majority of SBL holders make their payments on time. For those that do not pay on time, SBL service staff, working for the Stadium Manager on the Stadium Authority’s behalf, contact the SBL holders and attempt to collect the full amounts owed. Ultimately, an SBL can be defaulted for non-payment. Once an SBL is defaulted, the SBL holder in default loses their right to buy season tickets as well as their priority rights to tickets to Non-NFL Events, and forfeits any money they had invested in the SBL. Defaulted SBLs are then available for resale.

There is a total of 62,311 currently active SBLs, or 94% of the 66,136 sellable SBL seats as of December 31, 2022. This is an increase of 356 from the total active SBLs at the end of the prior fiscal year (March 31, 2022). The main reasons for the increase are due to sale of new SBLs offset by the customer seat relocation program and default buy back. The customer seat relocation program allows customers to trade in their SBLs in return for others in a different location as long as the total face value of the new seats is equal to or greater than the original seats.

During the current reporting period, 1,032 SBLs were sold for a total face value of \$8.4 million. The customer seat relocation program resulted in an increase of \$1.2 million to the SBL face value while netting 158 more SBLs. There were also 834 SBLs defaulted during the quarter with a face value of \$5.0 million.

Additional details regarding currently active SBLs as of December 31, 2022 are noted in Table 9.

Table 9

Santa Clara Stadium Authority

Currently Active Stadium Builder License (SBL) Summary ⁽¹⁾

Through December 31, 2022											
Seat Value	SBL Seats Available	SBL Seats Sold as of 3/31/22	New SBL Sales	Net SBL Relocations	SBL Defaults	Other	SBL Seats Sold	SBL Value	SBL Collected	% SBL Principal Collected	
141,392	100	100	-	-	-	-	100	\$ 14,082,625	\$ 13,137,207	93.3%	
80,000	942	928	4	10	-	-	942	\$ 75,360,000	\$ 72,792,972	96.6%	
40,000	2	2	-	-	-	-	2	\$ 80,000	\$ 74,602	93.3%	
30,000	4,945	4,549	59	5	(40)	-	4,573	\$ 137,190,000	\$ 129,587,760	94.5%	
20,000	3,475	2,894	57	(8)	(20)	-	2,923	\$ 58,460,000	\$ 54,323,694	92.9%	
17,500	70	-	64	-	0	-	64	\$ 1,120,000	\$ 383,875	34.3%	
15,000	7	7	-	-	-	-	7	\$ 105,000	\$ 99,378	94.6%	
12,000	2,163	2,199	31	(3)	(19)	-	2,208	\$ 26,496,000	\$ 24,202,756	91.3%	
10,000	7	7	-	-	-	-	7	\$ 70,000	\$ 68,504	97.9%	
6,000	20,651	20,850	286	31	(248)	-	20,919	\$ 125,514,000	\$ 115,605,360	92.1%	
5,000	14,307	14,037	286	2	(231)	-	14,094	\$ 70,470,000	\$ 63,300,159	89.8%	
4,000	916	919	6	(1)	(2)	-	922	\$ 3,688,000	\$ 3,615,809	98.0%	
3,000	91	91	-	-	-	-	91	\$ 273,000	\$ 265,529	97.3%	
2,500	40	44	-	-	-	-	44	\$ 110,000	\$ 95,311	86.6%	
2,000	18,392	15,296	239	122	(273)	-	15,384	\$ 30,768,000	\$ 28,600,227	93.0%	
1,000	28	32	-	-	(1)	-	31	\$ 31,000	\$ 29,754	96.0%	
Total	66,136	61,955	1,032	158	(834)	-	62,311	\$ 543,817,625	\$ 506,182,897	93.1%	
Plus: Interest on financed SBLs									63,390,651		
Total Principal & Interest									569,573,548		

⁽¹⁾ This table does not include \$29.1 million that has been collected life-to-date from defaulted SBL holders.

Santa Clara Stadium Authority Budget Status Reports

Operating Budget

With 75% of the fiscal year complete, total operating revenues for the third quarter of the FY 2022/23 were \$54.2 million representing 79% of the overall budget for revenues. Stadium rent earned from StadCo totaled \$19.4 million or 78% of budget. During the current reporting period, the Stadium Authority collected \$14.5 million in SBL proceeds or 59% of what was budgeted. SBL proceeds are expected achieve budgeted level as annual payment for financed SBL payment plans are due in March. All SBL proceeds are to be transferred to the debt service fund per applicable loan agreements. Stadium Authority also collected NFL ticket surcharges, Sponsorship Revenue, Naming Rights Revenue, and Senior & Youth Program Fees all of which are expected to meet budget this fiscal year.

Total operating expenses were \$41.2 million, or 60% of the annual budget, which included the debt service transfers of \$26.2 million.

For the current fiscal year, the Stadium Authority's FY2022/23 budget was adopted on March 15, 2022 and included the Stadium Manager's recommended Shared Expense budget of \$10.5 million in a Legal Contingency line item. The expenses that were included in the Legal Contingency line are Stadium Operations, Engineering, Guest Services, Groundskeeping, Security and the Stadium Management Fee. However, the Executive Director was delegated authority to approve budget amendments of \$5.1 million to move funds from the Legal Contingency line item to Shared Expenses after the review of adequate documentations for costs based on Board direction. Subsequent to that direction, Stadium Authority staff met with the Stadium Manager on April 12, 2022 to review documentation for shared expenses. After follow-up meetings with the Stadium Manager, payments related to compensation were reviewed and approved for monthly payment, totaling \$5.1 million for the fiscal year.

On August 31, 2022, the Stadium Authority entered into a settlement agreement with StadCo and Stadium Manager over disputes regarding the Operating and Management Expenses, Shared Expenses, and Capital Expenditures that were previously withheld. As part of the settlement, the Stadium Authority agreed to pay for the budgeted expense for its share of Shared Stadium Manager Expenses and other expenses for the current fiscal year. This settlement does not cover Public Safety Costs and NFL-SBL Buffet costs which are part of an unsettled claim.

Shared Stadium Manager expenses were at 73% or \$9.2 million of the \$12.5 million budgeted amount, and SBL Sales & Service expenses were 75% of the budget, or \$1.6 million. The Stadium Authority pays for all utility costs from February 1st through July 31st and the tenant (StadCo) pays for utility costs from August 1st through January 31st (Tenant Season). Therefore, utility costs are 67% of the budget for the third quarter, or \$1.0 million. The current reporting period covers 67% (four out of the six months) that the Stadium Authority is responsible for utility costs. Transfers out for debt service amounted

to \$26.2 million. Lastly, Stadium Authority G&A costs were tracking below budgeted levels at \$1.6 million or 38% of the budget.

Overall, the Stadium Authority operating fund ended the third quarter with a fund balance of \$52.2 million, an increase of \$13.3 million or 34%. Included in that amount is an \$12.3 million Operating Reserve and a \$2.7 million Discretionary Fund. Excess Revenue Distribution Reserve is the difference between revenues and expenses related to the Stadium operations. It excludes Stadium Authority disbursement of Discretionary Fund, Legal Contingency, and net revenues from Non-NFL events, which has a timing difference. All accumulated excess revenues are redistributed to pay off debt and fund the necessary reserve accounts per Article 14 of the Stadium Lease Agreement at year-end.

Additional details are shown in Table 10.

Table 10

Santa Clara Stadium Authority
Operating Budget Status Report
For the Period Ending December 31, 2022 and 2021

	Period Ending December 31, 2022				Period Ending December 31, 2021			
	Amended Budget	YTD Actuals	Budget to Actual Difference	% Received	Amended Budget	YTD Actuals	Budget to Actual Difference	% Received
Revenues								
NFL Ticket Surcharge	\$ 10,822,000	\$ 10,382,333	\$ 439,667	96%	\$ 8,665,000	\$ 8,900,398	\$ (235,398)	103%
SBL Proceeds	24,398,000	14,461,534	9,936,466	59%	23,682,000	15,391,101	8,290,899	65%
Interest	15,000	890,282	(875,282)	5935%	56,000	14,947	41,053	27%
Net Revenues from Non-NFL Events	250,000	-	250,000	0%	-	-	-	NA
Naming Rights	7,380,000	7,271,260	108,740	99%	7,165,000	3,529,738	3,635,262	49%
Sponsorship Revenue (STR)	405,000	310,643	94,357	77%	325,000	243,750	81,250	75%
Rent	24,762,000	19,395,900	5,366,100	78%	24,762,000	19,122,100	5,639,900	77%
Senior & Youth Program Fees	237,000	218,661	18,339	92%	232,000	211,591	20,409	91%
Non-NFL Event Ticket Surcharge	574,000	1,279,112	(705,112)	223%	150,000	-	150,000	0%
Other Revenue	-	-	-	NA	-	-	-	NA
Total Revenues	\$ 68,843,000	\$ 54,209,725	\$ 14,633,275	79%	\$ 65,037,000	\$ 47,413,625	\$ 17,623,375	73%
Total Source of Funds	\$ 68,843,000	\$ 54,209,725	\$ 4,257,142	79%	\$ 65,037,000	\$ 47,413,625	\$ 9,567,874	73%
	Amended Budget	YTD Actuals	Budget to Actual Difference	% Used	Amended Budget	YTD Actuals	Budget to Actual Difference	% Used
	Amended Budget	YTD Actuals	Budget to Actual Difference	% Used	Amended Budget	YTD Actuals	Budget to Actual Difference	% Used
Expenses								
Shared Stadium Manager Expenses								
Stadium Operations	\$ 3,827,196	\$ 2,870,397	\$ 956,799	75%	\$ 1,681,393	\$ 1,438,442	\$ 242,951	86%
Engineering	2,488,872	1,866,654	622,218	75%	1,543,240	1,270,215	273,025	82%
Guest Services	586,968	440,226	146,742	75%	304,134	199,630	104,504	66%
Groundskeeping	497,556	373,167	124,389	75%	93,809	77,225	16,584	82%
Security	1,626,828	1,220,121	406,707	75%	378,652	311,655	66,997	82%
Procurement	-	-	-	NA	311,412	207,608	103,804	67%
Insurance	3,230,000	2,422,698	807,302	75%	3,136,000	2,457,134	678,866	78%
Stadium Management Fee	253,000	-	253,000	0%	-	-	-	NA
Shared Stadium Mngr Exps Subtotal	\$ 12,510,420	\$ 9,193,263	\$ 3,317,157	73%	\$ 7,448,640	\$ 5,961,909	\$ 1,486,731	80%
Other Operating Expenses								
SBL Sales and Service	\$ 2,089,000	\$ 1,566,693	\$ 522,307	75%	\$ 3,448,000	\$ 1,800,000	\$ 1,648,000	52%
Senior & Youth Fees (paid to City)	237,000	218,661	18,339	92%	232,000	211,592	20,408	91%
Ground Rent (paid to City)	460,000	460,000	-	100%	425,000	425,000	-	100%
Performance Rent (paid to City)	-	-	-	NA	-	-	-	NA
Discretionary Fund Expense	250,000	-	250,000	0%	250,000	-	250,000	0%
Utilities	1,444,000	962,496	481,504	67%	1,586,000	495,500	1,090,500	31%
Use of StadCo Tenant Improvements	48,000	72,819	(24,819)	152%	26,000	-	26,000	0%
Stadium Authority G&A	4,205,000	1,609,427	2,595,573	38%	5,115,000	2,106,650	3,008,350	41%
Naming Rights Commission	91,000	90,891	109	100%	88,000	88,244	(244)	100%
Legal Contingency	1,262,000	-	1,262,000	0%	3,810,360	-	3,810,360	0%
Other Expenses	723,000	490,093	232,907	68%	388,000	152,206	235,794	39%
Other Operating Expenses Subtotal	\$ 10,809,000	\$ 5,471,080	\$ 5,337,920	51%	\$ 15,968,360	\$ 5,279,192	\$ 10,689,168	33%
Total Expenses	\$ 23,319,420	\$ 14,664,343	\$ 8,655,077	63%	\$ 23,417,000	\$ 11,241,101	\$ 12,175,899	48%
Transfers Out								
Debt Service	\$ 40,984,580	\$ 26,229,762	\$ 14,754,818	64%	\$ 37,572,000	\$ 25,860,883	\$ 11,711,117	69%
Discretionary Fund Reserve	287,000	352,850	(65,850)	123%	75,000	-	75,000	0%
Capital Expenditures Reserve	3,801,000	-	3,801,000	0%	3,940,000	-	3,940,000	0%
Operating Reserve	369,000	-	369,000	0%	358,000	-	358,000	0%
Total Transfers Out	\$ 45,441,580	\$ 26,582,612	\$ 18,858,968	58%	\$ 41,945,000	\$ 25,860,883	\$ 16,084,117	62%
Increase/(Decrease) in:								
Operations and Maintenance Reserve	\$ 82,000	\$ -			\$ (325,000)	\$ -		
Excess Revenue Distribution Reserve ⁽¹⁾	\$ -	\$ 12,962,770			\$ -	\$ 10,311,641		
Total Use of Funds	\$ 68,843,000	\$ 54,209,725	\$ (32,313,488)	79%	\$ 65,037,000	\$ 47,413,625	\$ 28,260,016	73%

⁽¹⁾ Excess Revenue Distribution Reserve is the difference between revenues and expenses relating to the Stadium operations. It excludes Stadium Authority disbursement of Discretionary Fund, Legal Contingency, and net revenues from Non-NFL events, which has a timing difference. All accumulated excess revenues are redistributed to payoff debt and fund the necessary reserve accounts per Article 14 of the Stadium Lease Agreement at year-end.

Operating Budget – Recommended Budget Adjustments

From time to time, budget adjustments may be necessary to align revenues or expenditures to actual or unexpected activity during the course of a fiscal year, known after the adoption of the Stadium Authority Budget.

On March 7, 2023, the Stadium Authority Board adopted the Santa Clara Stadium Authority FY 2023/24 Operating, Debt Service, and Capital Budget which also includes projected revenues, expenses, and transfers out for FY 2022/23. The following budget adjustments are requested based on the projected actuals reported:

- 1) The San Francisco 49ers played one (1) pre-season, ten (10) regular season, and two (2) post-season NFL games in FY 2022/23 which resulted in higher than anticipated revenues from NFL Ticket Surcharge by \$545,000. Senior and Youth Program Fees (based on \$0.35 per NFL game ticket) are also projected to be higher than anticipated by \$13,000. Budget adjustment are needed to reflect the increases in the payment to the City's General Fund by \$13,000 as well as the revenues from NFL Ticket Surcharge by \$545,000 and Senior & Youth Program Fees by \$13,000 to the Stadium Authority.
- 2) There were seven (7) public Non-NFL events held at the Stadium in FY 2022/23 which resulted in higher than anticipated net revenues from Non-NFL Events by \$7.0 million. Non-NFL Event Ticket Surcharge (based on \$4.00 per Non-NFL event ticket) and the corresponding Transfers Out to Discretionary Fund Reserve (based on \$2.00 per Non-NFL event ticket) are also projected to be higher than anticipated. Budget adjustments are needed to reflect the increases in the contribution to Discretionary Fund Reserve (\$355,000) as well as Net Revenues from Non-NFL Events by \$7.0 million and revenues from Non-NFL Event Ticket Surcharge by \$710,000 to the Stadium Authority.
- 3) Due to improved economy and interest environment, an additional \$130,000 from collection of SBL Proceeds and \$1.0 million from interest income are projected for FY 2022/23. In addition, a portion of the FY 2021/22 Naming Rights revenue (\$3.6 million) was collected in FY 2022/23. Budget adjustments are needed to align with the projected actuals.
- 4) Discretionary Fund Expense is projected to increase by \$1.1 million, from \$250,000 to \$1.3 million for FY 2022/23. This includes distributions of \$650,000 to the General Fund and Stadium Authority operations. A budget adjustment is needed to reflect these distributions.
- 5) Use of StadCo Tenant Improvements is projected to be higher than anticipated by \$34,000 as more Non-NFL events were held in FY 2022/23. A budget adjustment is needed to reflect the increase in the payment to StadCo.
- 6) The calculation for FY 2022/23 performance-based rent is 50% of the Net Revenues from Non-NFL Events less the sum of performance-based rent credits.

The performance-based rent credits include 50% of the current year's base ground rent (\$230,000) and credited public safety costs (\$3.4 million). Public Safety Costs exceeding threshold can be treated as credits towards performance-based rent which is part of an unsettlement claim, and a budget adjustment is needed to reflect the increase in Legal Contingency Reserve for Public Safety Costs by \$3.4 million

- 7) Net of corresponding payments to the City's General Fund and various reserve contributions, revenues related budget adjustments above are projected to increase total source of funds by \$9.3 million. Disputes regarding the Operating and Management Expenses and Shared Expenses were settled on August 31, 2022, and \$10.5 million of Contingency Reserve from FY 2021/22 are expected to be released as additional source of funds. Total projected increase of \$19.8 million to source of funds will mainly be used for additional StadCo Subordinated Loan pre-payment (\$5.4 million) and contributions to Operating Reserve (\$7.3 million) and Renovation/Demolition Reserve (\$7.0 million). Budget adjustments are needed to align with the projected actuals.

Additional details are shown in Table 11.

Table 11

Santa Clara Stadium Authority

2022/23 Operating Budget Adjustment

	2022/23 Fiscal Year			
	Adopted Budget	Adjustments ⁽¹⁾ (Previously Approved)	Adjustments (New Requests)	Amended Budget
Revenues				
NFL Ticket Surcharge	\$ 10,822,000	\$ -	\$ 545,000	\$ 11,367,000
SBL Proceeds	24,398,000	-	130,000	24,528,000
Interest	15,000	-	1,022,000	1,037,000
Net Revenues from Non-NFL Events	250,000	-	7,012,000	7,262,000
Naming Rights	7,380,000	-	3,636,000	11,016,000
Sponsorship Revenue (STR)	405,000	-	-	405,000
Rent	24,762,000	-	-	24,762,000
Senior & Youth Program Fees	237,000	-	13,000	250,000
Non-NFL Event Ticket Surcharge	574,000	-	710,000	1,284,000
Other Revenue	-	-	-	-
Total Revenues	\$ 68,843,000	\$ -	\$ 13,068,000	\$ 81,911,000
Total Source of Funds	\$ 68,843,000	\$ -	\$ 13,068,000	\$ 81,911,000
Expenses				
Shared Stadium Manager Expenses				
Stadium Operations	\$ -	\$ 3,827,196	\$ -	\$ 3,827,196
Engineering	-	2,488,872	-	2,488,872
Guest Services	-	586,968	-	586,968
Groundskeeping	-	497,556	-	497,556
Security	-	1,626,828	-	1,626,828
Insurance	3,230,000	-	-	3,230,000
Stadium Management Fee	-	253,000	-	253,000
Shared Stadium Manager Expenses Subtotal	\$ 3,230,000	\$ 9,280,420	\$ -	\$ 12,510,420
Other Operating Expenses				
SBL Sales and Service	\$ 2,089,000	\$ -	\$ -	\$ 2,089,000
Senior & Youth Fees (paid to City)	237,000	-	13,000	250,000
Ground Rent (paid to City)	460,000	-	-	460,000
Performance Rent (paid to City)	-	-	-	-
Discretionary Fund Expense	250,000	-	1,050,000	1,300,000
Utilities	1,444,000	-	-	1,444,000
Use of StadCo Tenant Improvements	48,000	-	34,000	82,000
Stadium Authority G&A	4,205,000	-	-	4,205,000
Naming Rights Commission	91,000	-	-	91,000
Legal Contingency	10,542,420	(9,280,420)	(1,172,989)	89,011
Other Expenses	723,000	-	-	723,000
Other Operating Expenses Subtotal	\$ 20,089,420	\$ (9,280,420)	\$ (75,989)	\$ 10,733,011
Total Expenses	\$ 23,319,420	\$ -	\$ (75,989)	\$ 23,243,431
Transfers Out				
Debt Service	\$ 40,984,580	\$ -	\$ 5,357,000	\$ 46,341,580
Discretionary Fund Reserve	287,000	-	355,000	642,000
Capital Expenditures Reserve	3,801,000	-	-	3,801,000
Operating Reserve	369,000	-	7,333,000	7,702,000
Renovation/Demolition Reserve	-	-	7,031,000	7,031,000
Total Transfers Out	\$ 45,441,580	\$ -	\$ 20,076,000	\$ 65,517,580
Increase/(Decrease) in:				
Operations and Maintenance Reserve	\$ 82,000	\$ -	\$ 8,459	\$ 90,459
Contingency Reserve	-	-	(11,366,540)	(11,366,540)
Discretionary Fund Reserve	-	-	(1,050,000)	(1,050,000)
Legal Contingency Reserve - Buffet Costs	-	-	2,075,070	2,075,070
Legal Contingency Reserve - Public Safety Costs	-	-	3,401,000	3,401,000
Total Use of Funds	\$ 68,843,000	\$ -	\$ 13,068,000	\$ 81,911,000

⁽¹⁾Adjustments include previously approved budget amendments through February 28, 2023.

Debt Service Budget

The Stadium Authority's FY 2022/23 debt service revenue budget of \$2.1 million represents anticipated contributions from the Community Facilities District (CFD). CFD levies and collects a special hotel tax on hotel rooms within the CFD. All collections from the special CFD hotel taxes are contributed to Stadium Authority to pay down the CFD Advance. The CFD Advance is payable solely from amounts received by the Stadium Authority from the CFD. During the first three quarters, \$1.9 million was contributed by the CFD, or 87% of the annual budget.

Total Stadium Authority debt service expenses for the current reporting period were \$26.1 million, 61% of the budgeted amount. The debt service expenses for the CFD Advance, the Term A Loan, and the StadCo Subordinated Loan were \$1.7 million, \$22.8 million, and \$1.6 million, respectively.

As of December 31, 2022, the total outstanding amount of Stadium Authority debt had declined to \$264.4 million. This is a reduction in principal of \$15.9 million from the March 31, 2022 outstanding debt amount of \$280.3 million.

Additional details are shown in Tables 12 and 13 and Chart 1.

Table 12

Santa Clara Stadium Authority

Debt Service Budget Status Report

For the Period Ending December 31, 2022 and 2021

	Period Ending December 31, 2022					Period Ending December 31, 2021				
	Amended Budget	YTD Actuals	Budget to Actual Difference	% Received		Amended Budget	YTD Actuals	Budget to Actual Difference	% Received	
Beginning Fund Balance										
Required Debt Service Reserve	\$ 11,536,235	\$ 11,536,235	\$ -	100%		\$ 11,536,235	\$ 11,536,235	\$ -	100%	
Debt Service Reserve	12,532,334	15,154,711	(2,622,377)	121%		11,168,171	21,499,383	(10,331,212)	142%	
Total Beginning Fund Balance	\$ 24,068,569	\$ 26,690,946	\$ (2,622,377)	111%		\$ 22,704,406	\$ 33,035,618	\$ (10,331,212)	124%	
Revenues										
Contribution from CFD	\$ 2,124,000	\$ 1,852,202	\$ 271,798	87%		\$ 483,000	\$ 542,797	\$ (59,797)	29%	
Total Revenues	\$ 2,124,000	\$ 1,852,202	\$ 271,798	87%		\$ 483,000	\$ 542,797	\$ (59,797)	29%	
Transfers In										
Transfers In from Operating	\$ 40,984,580	\$ 26,229,762	\$ 14,754,818	64%		\$ 37,572,000	\$ 25,860,884	\$ 11,711,116	99%	
Total Transfers In	\$ 40,984,580	\$ 26,229,762	\$ 14,754,818	64%		\$ 37,572,000	\$ 25,860,884	\$ 11,711,116	99%	
Total Source of Funds	\$ 67,177,149	\$ 54,772,910	\$ 12,404,239	82%		\$ 60,759,406	\$ 59,439,299	\$ 1,320,107	109%	
	Amended Budget	YTD Actuals	Budget to Actual Difference	% Used		Amended Budget	YTD Actuals	Budget to Actual Difference	% Used	
Expenses										
CFD Advance	\$ 2,042,000	\$ 1,662,756	\$ 379,244	81%		\$ 483,000	\$ 1,273,677	\$ (790,677)	77%	
Term A Loan	25,494,000	22,801,072	2,692,928	89%		25,529,000	22,652,184	2,876,816	99%	
StadCo Subordinated Loan	15,490,580	1,653,713	13,836,867	11%		12,043,000	954,213	11,088,787	58%	
Total Expenses	\$ 43,026,580	\$ 26,117,542	\$ 16,909,038	61%		\$ 38,055,000	\$ 24,880,074	\$ 13,174,926	95%	
Ending Fund Balance										
Required Debt Service Reserve	\$ 11,536,235	\$ 11,536,235	\$ -	100%		\$ 11,536,235	\$ 11,536,235	\$ -	100%	
Debt Service Reserve	12,614,334	17,119,134	(4,504,800)	136%		11,168,171	23,022,991	(11,854,820)	134%	
Total Ending Fund Balance	\$ 24,150,569	\$ 28,655,369	\$ (4,504,800)	119%		\$ 22,704,406	\$ 34,559,226	\$ (11,854,820)	121%	
Total Use of Funds	\$ 67,177,149	\$ 54,772,910	\$ 12,404,239	82%		\$ 60,759,406	\$ 59,439,299	\$ 1,320,107	109%	

Table 13

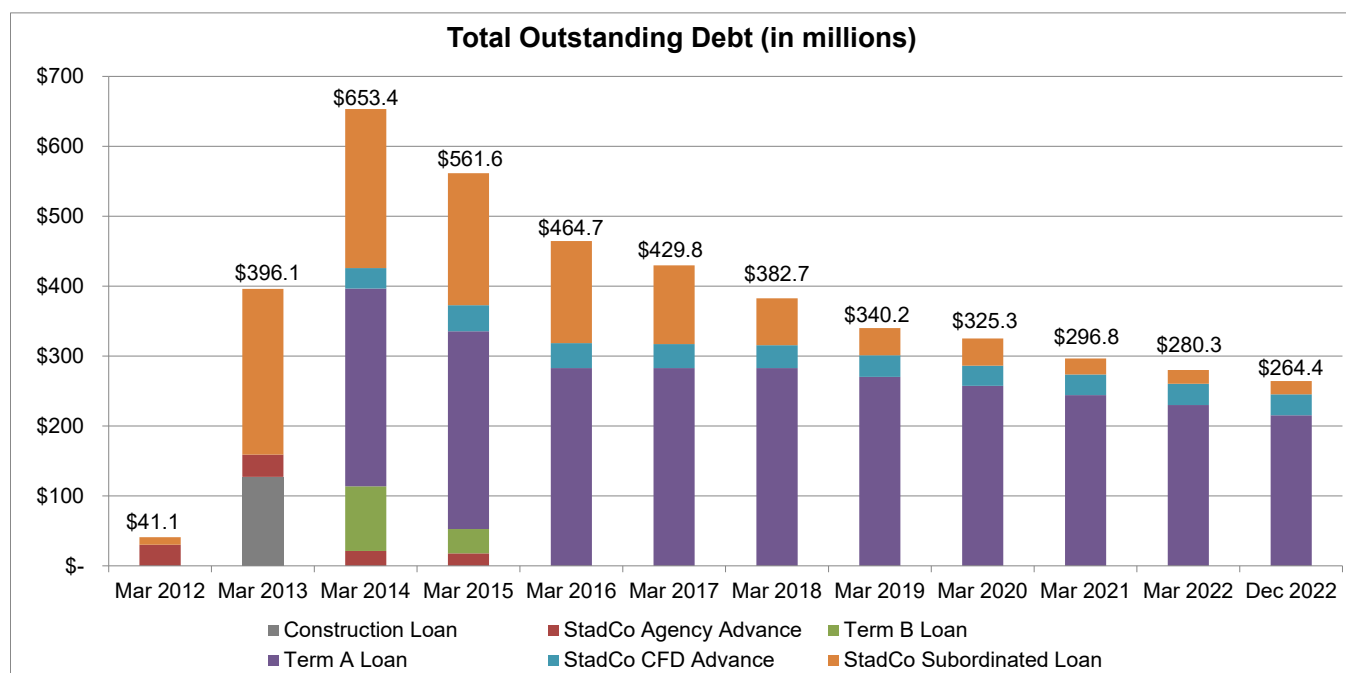
Santa Clara Stadium Authority

Debt Summary Report

Period Ending December 31, 2022

Type of Indebtedness	Interest Rates	Outstanding as of March 31, 2022		Net Change	Outstanding as of December 31, 2022	
Stadium Funding Trust Loan:						
Term A Loan	5.00%	\$	230,138,240	\$	(14,723,000)	\$ 215,415,240
StadCo CFD Advance	5.73%		30,374,502		(353,445)	30,021,057
StadCo Subordinated Loan	5.50%		19,800,950		(867,953)	18,932,997
Total		\$	280,313,692	\$	(15,944,398)	\$ 264,369,294

Chart 1



Debt Service Budget – Recommended Budget Adjustments

From time to time, budget adjustments may be necessary to align revenues or expenditures to actual or unexpected activity during the course of a fiscal year, known after the adoption of the Stadium Authority Budget.

On March 7, 2023, the Stadium Authority Board adopted the Santa Clara Stadium Authority FY 2023/24 Operating, Debt Service, and Capital Budget which also includes projected contribution, transfers in, and debt service payments for FY 2022/23. The following budget adjustments are requested based on the projected actuals reported:

- 1) Due to improved economy, an additional \$199,000 in Contribution from CFD is projected for FY 2022/23. A budget adjustment of \$199,000 million is needed to reflect the projected increase in both transient occupancy tax collections by the City's General Fund and CFD Advance payment.
- 2) Net of corresponding payments to the City's General Fund and various reserve contributions, revenues related budget adjustments requested under the Operating Budget above are projected to increase total source of funds by \$9.3 million. Of the additional \$9.3 million in source of funds, an additional \$5.4 million are projected to be transferred to the Debt Service Fund for StadCo Subordinated Loan pre-payment. A budget adjustment is needed to align with the projected actuals.

Additional details are shown in Table 14.

Table 14

Santa Clara Stadium Authority

2022/23 Debt Service Budget Adjustment

	2022/23 Fiscal Year			
	Adopted Budget	Adjustments (Previously Approved)	Adjustments (New Requests)	Amended Budget
Beginning Fund Balance				
Required Debt Service Reserve	\$ 11,536,235	\$ -	\$ -	\$ 11,536,235
Debt Service Reserve	12,532,334	-	-	12,532,334
Total Beginning Fund Balance	\$ 24,068,569	\$ -	\$ -	\$ 24,068,569
Revenues				
Contribution from CFD	\$ 2,124,000	\$ -	\$ 199,000	\$ 2,323,000
Total Revenues	\$ 2,124,000	\$ -	\$ 199,000	\$ 2,323,000
Transfers In				
Transfers In from Operating	\$ 40,984,580	\$ -	\$ 5,357,000	\$ 46,341,580
Total Transfers In	\$ 40,984,580	\$ -	\$ 5,357,000	\$ 46,341,580
Total Source of Funds	\$ 67,177,149	\$ -	\$ 5,556,000	\$ 72,733,149
Expenses				
CFD Advance	\$ 2,042,000	\$ -	\$ 199,000	\$ 2,241,000
Term A Loan	25,494,000	-	-	25,494,000
StadCo Subordinated Loan	15,490,580	-	5,357,000	20,847,580
Total Expenses	\$ 43,026,580	\$ -	\$ 5,556,000	\$ 48,582,580
Ending Fund Balance				
Required Debt Service Reserve	\$ 11,536,235	\$ -	\$ -	\$ 11,536,235
Debt Service Reserve	12,614,334	-	-	12,614,334
Total Ending Fund Balance	\$ 24,150,569	\$ -	\$ -	\$ 24,150,569
Total Use of Funds	\$ 67,177,149	\$ -	\$ 5,556,000	\$ 72,733,149

Capital Improvement Project Budget

As part of the Capital Expense (“CapEx”) Plan, the following projects have been completed as of the current reporting period:

- Financial Management Information System Project
- Emergency Recycled Water Line Repair Project
- Command Post Communication Equipment
- Gold Lot 4 and 5 Lighting
- Rust Prevention Mitigation CapEx Project
- Mechanical and Electrical Closet Lighting CapEx Project
- License Plate Reader at Vehicle Entry Gates
- Mobile Security Closed Circuit Television

The following CapEx projects are currently in progress and expected to be completed by the end of the fiscal year:

- Stadium Insulation CapEx Project
- Non-Slip Floor Matting CapEx Project
- Lift Station CapEx Project
- Loading Dock Lighting CapEx Project

The CIP Budget increased from \$21.7 million to \$23.1 million in the current reporting period. A total of \$2.3 million has been spent in FY 2022/23, which amounts to 10% of the budget. The main reasons that this is below budget are little activity on warranty work which makes up 7% of the CIP Budget and delays in projects due to staffing shortage from the contractors as a result of COVID-19.

On August 31, 2022, the Stadium Authority entered into a settlement agreement with StadCo and Stadium Manager over disputes regarding the Operating and Management Expenses, Shared Expenses, and Capital Expenditures that were previously withheld. As part of the settlement, in regard to Capital Expenditures, the Stadium Authority agreed to discontinue the current practice of withholding payment for Capital Expenditures subject to the review and approval of the prevailing wage documentation by Stadium Authority’s labor law compliance consultant. Under the Settlement Agreement, Stadium Manager further confirmed its obligation to comply with applicable laws, including Prevailing Wage Laws, and Stadium Manager also implemented its new internal Prevailing Wage Laws compliance policy and procedures. Accordingly, the Stadium Authority will process the invoice payments as they come in.

Additional details are shown below in Table 15.

Table 15

Santa Clara Stadium Authority

CIP Budget Status Report

For the Period Ending December 31, 2022 and 2021

	Period Ending December 31, 2022				Period Ending December 31, 2021			
	Amended Budget	YTD Actuals	Budget to Actual Difference	% Received	Amended Budget	YTD Actuals	Budget to Actual Difference	% Received
Beginning Fund Balances	\$ 22,103,296	\$ 23,001,058	\$ (897,762)	104%	\$ 19,438,420	\$ 20,805,741	\$ (1,367,321)	107%
Transfers In								
Transfers In from Operating	\$ 3,800,310	\$ -	\$ 3,800,310	0%	\$ 3,940,000	\$ -	\$ 3,940,000	0%
Total Transfers In	\$ 3,800,310	\$ -	\$ 3,800,310	0%	\$ 3,940,000	\$ -	\$ 3,940,000	0%
Total Source of Funds	\$ 25,903,606	\$ 23,001,058	\$ 2,902,548	89%	\$ 23,378,420	\$ 20,805,741	\$ 2,572,679	
	Amended Budget	YTD Actuals	Budget to Actual Difference	% Used	Amended Budget	YTD Actuals	Budget to Actual Difference	% Used
Expenses								
Construction	\$ 13,922,934	\$ 1,711,691	\$ 12,211,243	12%	\$ 6,743,911	\$ 349,469	\$ 6,394,442	5%
Equipment	6,598,582	618,029	5,980,553	9%	5,991,621	448,797	5,542,824	7%
Contingency	962,743	-	962,743	0%	623,935	-	623,935	0%
Stadium Warranty Related Construction	1,528,202	-	1,528,202	0%	1,528,202	-	1,528,202	0%
Total Expenses	\$ 23,012,461	\$ 2,329,720	\$ 20,682,741	10%	\$ 14,887,669	\$ 798,266	\$ 14,089,403	5%
Ending Fund Balance	\$ 2,891,145	\$ 20,671,338	\$ (17,780,193)	715%	\$ 8,490,751	\$ 20,007,475	\$ (11,516,724)	236%
Total Use of Funds	\$ 25,903,606	\$ 23,001,058	\$ 2,902,548	89%	\$ 23,378,420	\$ 20,805,741	\$ 2,572,679	89%

CIP Budget – Recommended Budget Adjustments

From time to time, budget adjustments may be necessary to align revenues or expenditures to actual or unexpected activity during the course of a fiscal year, known after the adoption of the Stadium Authority Budget. As of the timing of the publication of this report, additional information from FY 2022/23 has resulted in recommended budget adjustments as follows:

- 1) Enclosed Trailer CapEx Project – The Police Department received approved budget of \$15,283 to purchase an enclosed trailer that will better protect existing mules from the elements. The opening of the original trailer design had incorrect size and dimensions, and an alternative trailer design was subsequently tested and selected. A budget adjustment is needed to increase this line item by \$1,139 to \$16,422.
- 2) Crestron Control & Building Operating System Upgrades CapEx Project – In FY 2021/22, ManCo received approved budget of \$10,000 to upgrade system for monitoring HVAC, lighting, electrical, and fire alarms. A portion of the upgrades were anticipated to complete in FY2021/22, and only \$4,001 were carried over to FY 2022/23 budget. This project experienced delays and some of the upgrades anticipated to complete in FY 2021/22 were completed during FY 2022/23. A budget adjustment is needed to increase this line item by \$2,519 to \$6,520.

Additional details are shown in Table 16.

Table 16

Santa Clara Stadium Authority

2022/23 CIP Budget Adjustment

	2022/23 Fiscal Year			
	Adopted Adopted Budget	Adjustments ⁽¹⁾ (Previously Approved)	Adjustments (New Requests)	Amended Amended Budget
Beginning Fund Balances	\$ 22,103,296	\$ -	\$ -	\$ 22,103,296
Transfers In				
Transfers In from Operating	\$ 3,800,310	\$ -	\$ -	\$ 3,800,310
Total Transfers In	\$ 3,800,310	\$ -	\$ -	\$ 3,800,310
Total Source of Funds	\$ 25,903,606	\$ -	\$ -	\$ 25,903,606
Expenses				
Construction	\$ 12,699,189	\$ 1,223,745	\$ -	\$ 13,922,934
Equipment	6,555,678	42,904	3,658	6,602,240
Contingency	962,743	-	-	962,743
Stadium Warranty Related Construction	1,528,202	-	-	1,528,202
Total Expenses	\$ 21,745,812	\$ 1,266,649	\$ 3,658	\$ 23,016,119
Ending Fund Balance	\$ 4,157,794	\$ (1,266,649)	\$ (3,658)	\$ 2,887,487
Total Use of Funds	\$ 25,903,606	\$ -	\$ -	\$ 25,903,606

⁽¹⁾ Adjustments include previously approved budget amendments through February 28, 2023.

City of Santa Clara Net General Fund Impact

During the current reporting period there was a total of \$1.1 million that was contributed to the General Fund as shown in Table 17. This section of the report also provides information on General Fund revenue and expenditure impacts resulting from the stadium.

Table 17

City of Santa Clara Net General Fund Impact For Stadium Authority Fiscal Year to Date Ending December 31, 2022

Ground Rent	\$	460,000
Performance Rent		-
Senior and Youth Fee		218,661
Tasman Lots Parking Fee		-
Sales Tax		447,278
Total Net General Fund Impact	\$	1,125,939

Public Safety and Administrative Cost Reimbursement

As described in earlier sections of this report, costs incurred by the City on NFL and Non-NFL Events are tracked and billed to the Stadium Manager. Reimbursements are monitored and included in this report. Public safety costs incurred in support of NFL and Non-NFL events occurring in FY2022/23 totaled \$4 million and \$2.5 million, respectively. These reimbursements come from a combination of payments from the Stadium Manager and the offsite parking fees that were collected. The City has received \$2.3 million in reimbursements as of the end of February 2022.

In addition to public safety costs, administrative costs are also tracked and billed to the Stadium Authority. These include the cost of providing overall stadium management, financial, human resource, legal, and other services to the Stadium Authority. In the first three quarters of FY 2022/23, a total of \$1.1 million of administrative costs were incurred by the General Fund, which have been reimbursed to the City.

Rents and Senior and Youth Fee

As noted above the City's General Fund collected ground rent of \$460,000. Additionally, the Senior and Youth Fee generated \$219,000, of which the entire amount forwarded to the City in support of senior and youth programs. See the Glossary for more information on these revenues and how they are calculated.

Other Revenue Impacts

General Fund sales tax, property tax, and transient occupancy tax (TOT) collections have benefited from the direct and indirect economic activity related to stadium events.

Food and beverage concession sales and merchandise sales at Levi's® Stadium are taxable, resulting in sales tax revenue for the City. The last three quarters of sales tax collections from Levi's® Stadium transactions generated \$447,000 for the City's General Fund. In addition to the direct sellers at the Stadium, other businesses in Santa Clara are benefiting from the influx of people coming to attend one or more events at Levi's® Stadium, resulting in more sales tax collections for the General Fund.

In accordance with State Law, StadCo must pay possessory interest property tax based on their lease of Levi's® Stadium from the Stadium Authority. This revenue is collected by the county and placed into the Redevelopment Property Tax Trust Fund (RPTTF). Amounts remaining in the RPTTF after paying any enforceable obligations of the Successor Agency are distributed to taxing entities in the same proportion as secured property taxes. The City's proportion is approximately 10%.

Many stadium events bring travelers to the region, resulting in hotel stays which generate TOT collections for the City's General Fund. Although it is difficult to determine the portion of the City's TOT collections that are attributable to the stadium, it is clear that hotels both inside and outside the City have benefited, resulting in increases in TOT collections in Santa Clara and our neighboring cities. We continue to work with the hotels and Discover Santa Clara to survey and provide projections regarding TOT collections that result from Levi's® Stadium events.

Glossary

This section of the report provides details behind key terms that are used in the body of this report.

Discretionary Fund – The Amended and Restated Stadium Lease Agreement describes the Non-NFL Event ticket surcharge which is imposed by the Stadium Authority. All promoters or sponsors of ticketed Non-NFL Events are required to collect a Non-NFL ticket surcharge of \$4 per ticket on behalf of the Stadium Authority. One-half of these proceeds are used to cover Stadium Authority operating and maintenance costs. The other one-half of the proceeds are deposited in the Stadium Authority's discretionary fund. If at any time the discretionary fund balance exceeds \$1 million, then in consultation with the Stadium Manager, the Stadium Authority will determine if provision has been made for replacement and improvement of capital improvements contemplated under the public safety plan. If not, then funds will be reserved in the discretionary fund for such purposes. If adequate provision has been made for these items and the balance of the discretionary fund still exceeds \$1 million, then up to half of the amount over \$1 million can be transferred to the General Fund, in which event an equal amount will also be transferred from the discretionary fund to the Stadium Authority operating fund and will be included as revenue available to pay Stadium Authority expenses.

Ground Lease – The Ground Lease Agreement has an initial term of 40 years commencing on the date of substantial completion which was July 31, 2014. The amount of annual base ground rent that is payable by the Stadium Authority to the City is noted in Table 18 below.

Table 18

Lease Year	Fiscal Year	Annual Fixed Ground Rent
1	2014/15	\$ 180,000
2	2015/16	\$ 215,000
3	2016/17	\$ 250,000
4	2017/18	\$ 285,000
5	2018/19	\$ 320,000
6	2019/20	\$ 355,000
7	2020/21	\$ 390,000
8	2021/22	\$ 425,000
9	2022/23	\$ 460,000
10	2023/24	\$ 495,000
11-15	2024/25 - 2028/29	\$ 1,000,000
16-20	2029/30 - 2033/34	\$ 1,100,000
21-25	2034/35 - 2038/39	\$ 1,200,000
26-30	2039/40 - 2043/44	\$ 1,300,000
31-35	2044/45 - 2048/49	\$ 1,400,000
36-40	2049/50 - 2053/54	\$ 1,500,000

Net Non-NFL Event Revenue – Net Non-NFL Event revenue is remitted by the Stadium Manager to the Stadium Authority on a yearly basis. This is done annually because the

final reconciliation of the Non-NFL event revenues and expenses does not occur until after the conclusion of each fiscal year.

NFL Ticket Surcharge – The Amended and Restated Non-Relocation Agreement states that the Team will collect a 10% NFL ticket surcharge on the price of admission to all NFL games on behalf of Stadium Authority.

Non-NFL Event Ticket Surcharge – The Stadium Lease Agreement requires that the promoter or sponsor of any Non-NFL Event collect a Non-NFL Event ticket surcharge of \$4 per ticket. The Lease Agreement sets aside one-half of the Non-NFL ticket surcharge for stadium operating and maintenance costs and one-half for discretionary expenses of the Stadium Authority.

Offsite Parking Fees – Parking lot operators who wish to operate a parking lot for sports or entertainment venues are required to go through the City's permitting process. If approved, per the City's Municipal Fee Schedule, these operators remit an offsite parking fee for each car that is parked for sports or entertainment events. This fee is designed to recover the public safety costs associated with these permitted offsite parking lots. Therefore, when invoicing for NFL or Non-NFL public safety costs for a particular event held at Levi's® Stadium, the offsite parking fee that is collected for said event partly offsets the total public safety costs owed for that event. In the City's FY 2022/23 (July 1, 2022 through June 30, 2023) the offsite parking fee is \$6.13.

Performance-Based Rent – The Amended and Restated Stadium Lease Agreement and the Ground Lease Agreement both describe the performance-based rent that is due to the City. (It is calculated as 50% of the net income from Non-NFL events less performance-based rent credits. The performance-based rent credits include 50% of the fixed ground rent for the current lease year.)

Public Safety Costs – For each NFL and Non-NFL Event held at Levi's® Stadium, a public safety plan is developed and implemented. Multiple City departments provide staffing, materials, and supplies to support the public safety plan. Services are provided through a combination of City staff, contracts with other agencies (California Highway Patrol, County Sheriff's Office, and City of Sunnyvale) and some vendor provided services.

The Amended and Restated Stadium Lease Agreement section 7.5 states that the tenant is responsible for reimbursing the City for the public safety costs attributed to NFL events at Levi's® Stadium. Additionally, Article 5 of the Stadium Management Agreement notes that the Stadium Manager is responsible for paying Non-NFL Event expenses on behalf of the Stadium Authority. Therefore, the cost of providing public safety services are tracked through the City's financial system and invoices are sent to the Stadium Manager. All of these costs are reimbursed to the City of Santa Clara.

Senior and Youth Program Fees – The Amended and Restated Stadium Lease Agreement requires that StadCo collect a Senior and Youth Program Fee of \$0.35 per

NFL ticket sold on behalf of the Stadium Authority. Per section 8.2 of the Ground Lease Agreement between the City and the Stadium Authority, the Stadium Authority remits this fee to the City as additional rent to support senior and youth programs in the City.

Stadium Management Fee – The Stadium Manager receives an annual base management fee to manage Levi's® Stadium. The fee was \$400,000 in the first lease year and increases by 3% annually as detailed in the table below. This annual base management fee is split 50/50 between StadCo and the Stadium Authority since the Stadium Manager manages the stadium year-round for both entities. In addition to the base management fee, the Stadium Manager also receives a stadium marketing and booking fee (incentive fee) which is based on a percentage of the amount that the net income from Non-NFL Events exceeds the marketing and booking fee benchmark. The marketing and booking fee benchmark was \$5 million in the first lease year and also increases by 3% annually as detailed in the table below. The annual stadium management fee for each of the first ten lease years are noted in Table 19 below.

Table 19

Fiscal Year	Lease Year	Annual Base Stadium Management Fee (SCSA Share)	Stadium Marketing and Booking Fee Benchmark	Net Income from Non-NFL Events	Additional Stadium Marketing and Booking Fee	Total Stadium Management Fee
2014/15	1	\$ 200,000	\$ 5,000,000	\$ 5,207,553	\$ 10,378	\$ 210,378
2015/16	2	206,000	5,150,000	6,079,016	46,451	252,451
2016/17	3	212,180	5,304,500	5,316,894	620	212,800
2017/18	4	218,545	5,463,635	5,163,329	-	218,545
2018/19	5	225,102	5,627,544	18,591	-	225,102
2019/20	6	231,855	5,796,370	(2,741,014)	-	231,855
2020/21	7	238,810	5,970,261	(476,960)	-	238,810
2021/22	8	245,975	6,149,369	(288,741)	-	245,975
2022/23 ⁽¹⁾	9	253,354	6,333,850	7,262,000	92,815	346,169
2023/24	10	260,955	6,523,866	To be determined		

⁽¹⁾ Net income from Non-NFL events for FY2022/23 is projected

Tasman Lots Parking Fees – The City collects a fee of \$5 per space for all cars that are parked on the Tasman surface lots during NFL events.