

3/23/21

Item # 4

Santa Clara Stadium Authority

Action on the Stadium Authority Financial Status Report for the
Quarter Ending December 31, 2020
Item #4 (21-360)

March 23, 2021



Financial Status Report for the Quarter Ending December 31, 2020



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POST MEETING MATERIAL

Agenda

- Methodology and Limitations
- NFL / Non-NFL Events
- Operating Budget
- Debt Status
- Capital Improvement Program
- Budget Amendments
- Recommendation

Methodology and Limitations

- Information for NFL and Non-NFL event statistics and financial information related to Stadium Manager expenses are provided by ManagementCo.
- Some source documentation reviewed for Non-NFL events with attendance greater than 25,000.
- For all other events, detailed review of financial information or source documentation is not conducted.
- Firm contracted to review and evaluate Non-NFL event financial information from prior years.

NFL/Non-NFL Events

- There were five NFL games held in the third quarter
 - No fans attended due to the COVID-19 pandemic
 - Two preseason games to be held in second quarter were cancelled due to NFL decision based on COVID-19 pandemic
 - The last three games of the regular season were played in Arizona
- There were no Non-NFL events held in the third quarter of the 2020/21 Fiscal Year due to COVID-19, there is no estimated timeframe for Non-NFL events to resume.

Operating Budget Summary

- Total Operating Revenues of \$28.5 million or 42% of annual budget. Under budget due to:
 - COVID-19: Postponement/Cancellation of events
 - Cancellation of the last three NFL games (rent is expected to fall below budget by \$7.2 million)
- Total Operating Expenses of \$43.5 million or 64% of annual budget
 - Shared Stadium Manager Expenses withheld.
 - ManCo continues to draw on revolving loan. Draws related to FY2020/21 Operating Expenses through Q3 = \$7.2 million.

Stadium Builder Licenses (SBLs)

- At the time of this report, the third quarter report for SBLs was not available. Below is the latest provided as of the second quarter
- Value of currently active SBLs is \$534.4 million (60,917 or 93% of 65,879 sellable SBLs)
- A total of 86% of principal value has been collected as of September 30, 2020 (\$461.7 million)
- 270 new SBLs were sold with total face value of \$1.4 million



Discretionary Fund

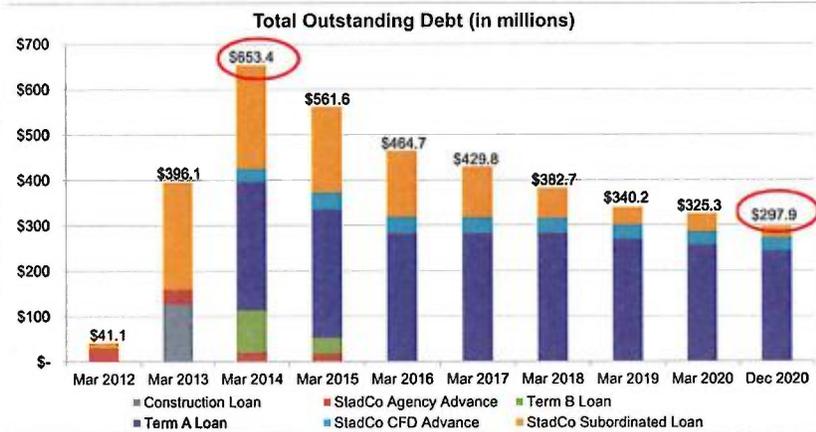
Discretionary Fund - Accrual Basis				
Fiscal Year	Beginning Balance	Revenue	Expenses	Ending Balance
2014/15	\$ -	\$ 715,770	\$ 714,028	\$ 1,742
2015/16	1,742	1,238,542	699,129	541,155
2016/17	541,155	1,164,698	1,209,342	496,511
2017/18	496,511	768,564	-	1,265,075
2018/19	1,265,075	796,294	101,267	1,960,102
2019/20	1,960,102	367,748	-	2,327,850
2020/21	2,327,850	-	-	2,327,850

- Current balance is \$2.3 million
- Discretionary fund previously used to pay NFL public safety costs above the public safety threshold



History of Debt Schedule

- Term A – budgeted payments of \$25.6 million can be made in FY 2020/21 from existing revenue
- CFD Advance – required to pass through revenue from hotel proceeds only
- Subloan - \$5.6 million scheduled



Capital Improvement Program

- Projects halted due to State procurement and prevailing wages non-compliance
- SCSA purchases moving forward. Projects completed through Q3:
 - Bicycles
 - Motorola APX 6000 Radio
 - Heavy Lift Kit
 - Storage Conex Garage
 - Mass Decontamination Hydrant Nozzles
 - Small Cooler and Ice Pack
 - Motor Vehicle Barricades
 - Radio Earpieces
 - Battery Pack for JHAT Crew
 - Radio Batteries
 - Body Worn Cameras

Budget Amendments

- Reflect adjustments to revenue and expenditure based on actuals to date and COVID-19 Impacts
- Reallocates funding for Legal Contingency as Shared Expenses paid by Revolving Loan
- Increases appropriations based on actual usage/invoices
- A reduction to the Operating Reserve totaling \$4.5 million is recommended to offset the budget actions

Recommendation

- Note and file the Santa Clara Stadium Authority Financial Status Report for the Quarter Ending December 31, 2020.
- Approve Budget Amendments to the Fiscal Year 2020/21 Santa Clara Stadium Authority Budget.

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