



Agenda Report

18-998

Agenda Date: 7/17/2018

INFORMATION REPORT TO STADIUM AUTHORITY BOARD

SUBJECT

Informational Report on Status of the Stadium Authority Financial Status Report through the Quarter and Fiscal Year Ending March 31, 2018

BACKGROUND

The Santa Clara Stadium Authority (SCSA) fiscal year is from April 1 to March 31 of the following year. Historically, SCSA staff has presented the fourth quarter and fiscal year financial status report ("Report") to the SCSA Board ("Board") in the May/June timeframe. The information included in these reports was unaudited and subject to change once the annual audit had been completed.

SCSA produces annual financial statements within six months of the March 31 fiscal year-end. These statements include an extensive discussion and presentation of the financial data of the Stadium Authority in accordance with Generally Accepted Accounting Principles (GAAP), and support the Board's financial oversight responsibility to provide fiscal information to residents, creditors and other stakeholders. The auditor's unmodified opinion assures the reader that the information presented in the Financial Report fairly represents the financial position of the Stadium Authority.

On February 13, 2018, the Board approved amendments to the Fiscal Year 2017-18 Stadium Authority Budget to implement an accrual method of budgeting versus cash method of budgeting as recommended by the Measure J Audit. The accrual method will allow staff to budget more accurately because it will account for expenses when they are incurred and revenues when they are earned and not when cash is actually paid or received.

DISCUSSION

Staff is currently in the process of closing the SCSA Fiscal Year 2017/18 Budget and preparing for the annual audit. With the change in budgeting methodology, this involves accruing several year-end transactions that were included as budget amendments at the February 13 meeting, such as Net Non-NFL Event Revenue, Performance Rent, and Community Facilities District (CFD) payments. Accrual transactions can take several months to record since actual receipt of revenues and expenses earned during the fiscal year occur at various times after year-end.

Staff will present the Report to the Board for their review at the September 11, 2018 Stadium Authority meeting, as a companion to the annual financial statements. This will provide a greater level of detail in understanding the year-end financial statements and will include audited information.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes

in the environment.

FISCAL IMPACT

There is no fiscal impact to this report.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Note and file the Status of the Stadium Authority Financial Status Report through the Quarter and Fiscal Year Ending March 31, 2018.

Reviewed by: Angela Kraetsch, Treasurer

Approved by: Deanna J. Santana, Executive Director