

City of Santa Clara

Stadium Authority Meeting

**Item 17C - Audited Stadium Authority Financial
Statements for Fiscal Year ended March 31, 2016**

August 23, 2016



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Santa Clara**
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Santa Clara Stadium Authority Audited Financial Statements

- Covers the 2015-16 fiscal year (April 1, 2015 to March 31, 2016) with comparative data from the 2014-15 fiscal year
- KPMG, LLP completed the annual audit of the Stadium Authority's 2015-16 financial statements and presented the results to Audit Committee on August 15, 2016
- Unmodified (i.e., “clean”) opinion expressed by auditors
- Reports available on the Finance Department's webpage and the new Stadium Authority webpage



Key Financial Highlights

- The value of Levi's Stadium, net of depreciation, is \$794.7 million
- The Stadium Authority recognized \$143.2 million in operating revenue and \$121.0 million in operating expenses for an operating income of \$22.2 million
- Non-NFL events generated \$6.1 million in net revenue
 - Revenues of \$89.8 million
 - Expenses of \$83.7 million
- Total debt service payments were \$95.5 million

Key Financial Highlights (cont.)

- As a result of the cost allocation study, a \$27.8 million preliminary adjustment was recorded related to tenant improvement costs moving from the Stadium Authority to StadCo
- Assets of the Stadium Authority exceeded its liabilities by \$18.6 million
- Total net position increased by \$13.1 million

Long-Term Debt

Santa Clara Stadium Authority

Long-Term Debt Summary

For the Year Ended March 31, 2016

Type of Indebtedness	Interest Rates	Outstanding as of		Outstanding as of
		March 31, 2015	Net Change	March 31, 2016
StadCo Agency Advance	4.50%-5.50%	\$ 18,034,044	\$(18,034,044)	\$ -
Stadium Funding Trust Loan:				-
Term A Loan	5.00%	282,794,108	-	282,794,108
Term B Loan	LIBOR+2.00%	34,768,402	(34,768,402)	-
StadCo CFD Advance	5.73%	37,228,389	(1,241,697)	35,986,692
StadCo Subordinated Loan	5.50%	188,730,626	(42,791,580)	145,939,046
Total		\$ 561,555,569	\$(96,835,723)	\$ 464,719,846

Changes in Financial Position Analysis

- Full year of operations in the 2015-16 fiscal year vs. 8 months in the 2014-15 fiscal year
- Operating revenues increased by \$41.8 million
 - Increases in non-NFL event revenue and non-NFL ticket surcharge
 - Increase in amortized SBL revenue
- Operating expenses increased by \$43.4 million
 - Increase in non-NFL event expenses
 - Increase in depreciation
 - Increases in stadium manager and SBL sales and service expenses

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