

Santa Clara Stadium Authority

Action on the Stadium Authority Financial Status Report for the
Quarter Ending June 30, 2020
Item #1 (20-756)

December 1, 2020



Financial Status Report for the Quarter Ending June 30, 2020

Agenda

- Methodology and Limitations
- NFL / Non-NFL Events
- Operating Budget
- Debt Status
- Capital Improvement Program
- COVID-19 Update
- 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 – report in a separate presentation.

NFL/Non-NFL Events

- There were no NFL games held in the first quarter
 - Two preseason games to be held in second quarter were cancelled due to NFL decision based on COVID-19 pandemic
 - First game of 2020 season held at Levi's Stadium was Game 3 on September 13, 2020 without fans
- There were no Non-NFL events held in the first 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 \$6.3 million or 9% of annual budget. Under budget due to:
 - COVID-19: Postponement/Cancellation of events
 - Timing of revenue receipts (SBL proceeds and Naming Rights)
- Total Operating Expenses of \$25.8 million or 38% of annual budget
 - Shared Stadium Manager Expenses withheld.
 - ManCo continues to draw on revolving loan. Q1 = \$1.3M; \$6.9M to date for fiscal year 2020/21

Stadium Builder Licenses (SBLs)

- Value of currently active SBLs is \$533.7 million (60,442 or 91% of 65,879 sellable SBLs)
- A total of 86% of principal value has been collected as of June 30, 2020 (\$460.4 million)
- 133 new SBLs were sold with total face value of \$671 thousand

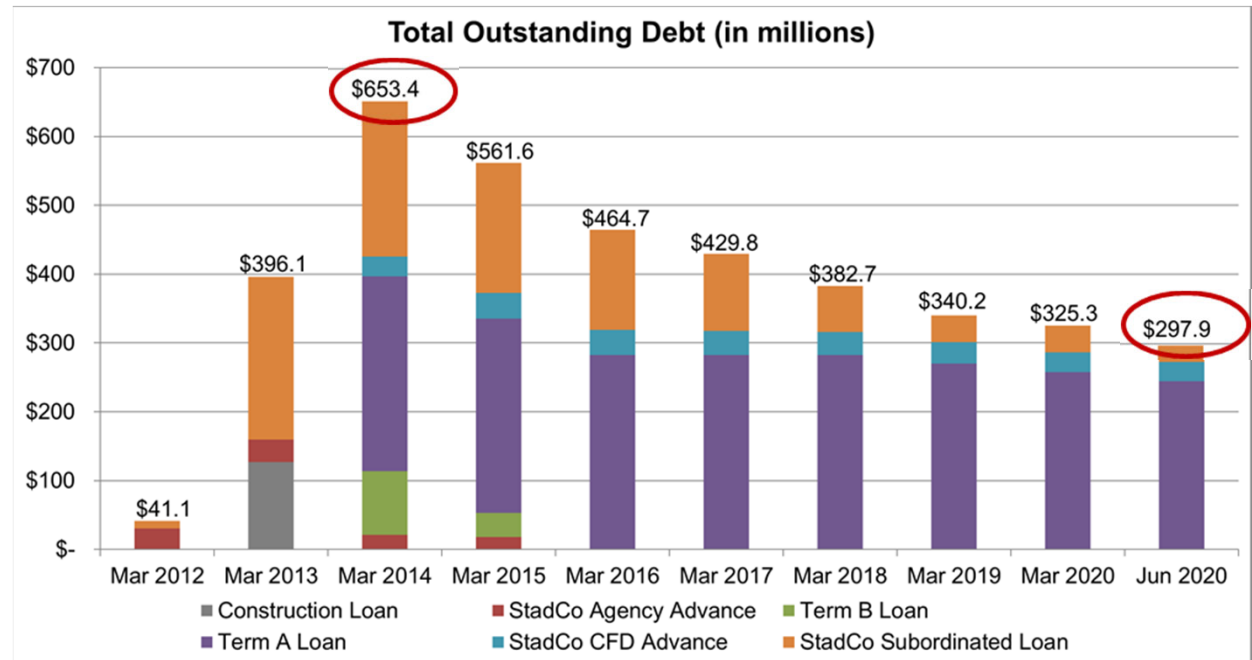
Discretionary Fund

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; use of ledger credit under review



Capital Improvement Program

- Projects halted due to State procurement and prevailing wages non-compliance
- SCSA purchases moving forward. Projects completed and to be reported in Quarter 2 Report:
 - Stadium Vehicle Upfits
 - Storage Conex Garage
 - Stadium Personal Protective Equipment
 - Heavy Lift Kit
 - Motorola APX 600 Radio

COVID-19 Impact

	<u>2020/21 Impact</u>
Revenue	
NFL Ticket Surcharge	\$ 8,665,000
Net Revenues from Non-NFL Events	1,500,000
Rent (Two games scheduled for Dec. 7 and Dec 13)	4,952,400
Non-NFL Event Ticket Surcharge	572,000
Total Revenue Impact	\$ 15,689,400
Solutions/Savings	
SBL Holder Buffet	\$ 1,183,000
Discretionary Fund Expense	250,000
Use of StadCo Tenant Improvements	73,000
Operating/Vacancy Savings (SCSA)	1,244,000
Legal Contingency Savings (Stadium Manager @ 10%)	885,000
Subloan Ledger Credit/Operating Reserve ⁽¹⁾	12,054,400
Total Solutions/Savings	\$ 15,689,400

⁽¹⁾ Use of Subloan Ledger Credit is under review. The balance of the Operating Reserve is \$11.6 million.

Rent Payments to Date

Receipt Month	Lease Month	FY20/21 Rent Schedule	Rent Received To-date	Receipt Date
March 2020	April 2020	\$ 1,376,000	\$ 1,375,667	3/16/2020
April 2020	May 2020	1,376,000	1,376,000	4/15/2020
May 2020	June 2020	1,376,000	1,376,000	5/15/2020
June 2020	July 2020	1,376,000	1,376,000	6/15/2020
July 2020	August 2020	1,376,000	1,376,000	7/15/2020
August 2020	September 2020	2,751,000	-	
September 2020	October 2020	2,751,000	5,502,333	9/15/2020
October 2020	November 2020	2,751,000	2,751,000	10/15/2020
November 2020	December 2020	2,751,000	2,751,000	11/16/2020
December 2020	January 2021	2,751,000	-	
January 2021	February 2021	2,751,000	-	
February 2021	March 2021	1,376,000	-	
	Total	\$ 24,762,000	\$ 17,884,000	

Recommendation

Note and file the Santa Clara Stadium Authority Financial Status Report for the Quarter Ending June 30, 2020.

SCSA

Santa Clara Stadium Authority