

Santa Clara Stadium Authority

Action on the Stadium Authority Financial Status Report for the
Quarter Ending September 30, 2020
Item #3 (21-1292)

January 26, 2021



Financial Status Report for the Quarter Ending September 30, 2020



Agenda

- Methodology and Limitations
- NFL / Non-NFL Events
- Operating Budget
- Debt Status
- Capital Improvement Program
- COVID-19 Impact 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.

NFL/Non-NFL Events

- There was one NFL game held in the second 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 second 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 \$23.2 million or 34% of annual budget. Under budget due to:
 - COVID-19: Postponement/Cancellation of events
 - Timing of revenue receipts (SBL proceeds, Sponsorship, and Naming Rights)
 - Cancellation of the last three NFL games (rent is expected to fall below budget by \$7.2 million)
- Total Operating Expenses of \$38.8 million or 57% of annual budget
 - Shared Stadium Manager Expenses withheld.
 - ManCo continues to draw on revolving loan. Through Q2 = \$3.9 million; \$9.3 million to date for fiscal year 2020/21

Stadium Builder Licenses (SBLs)

- 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

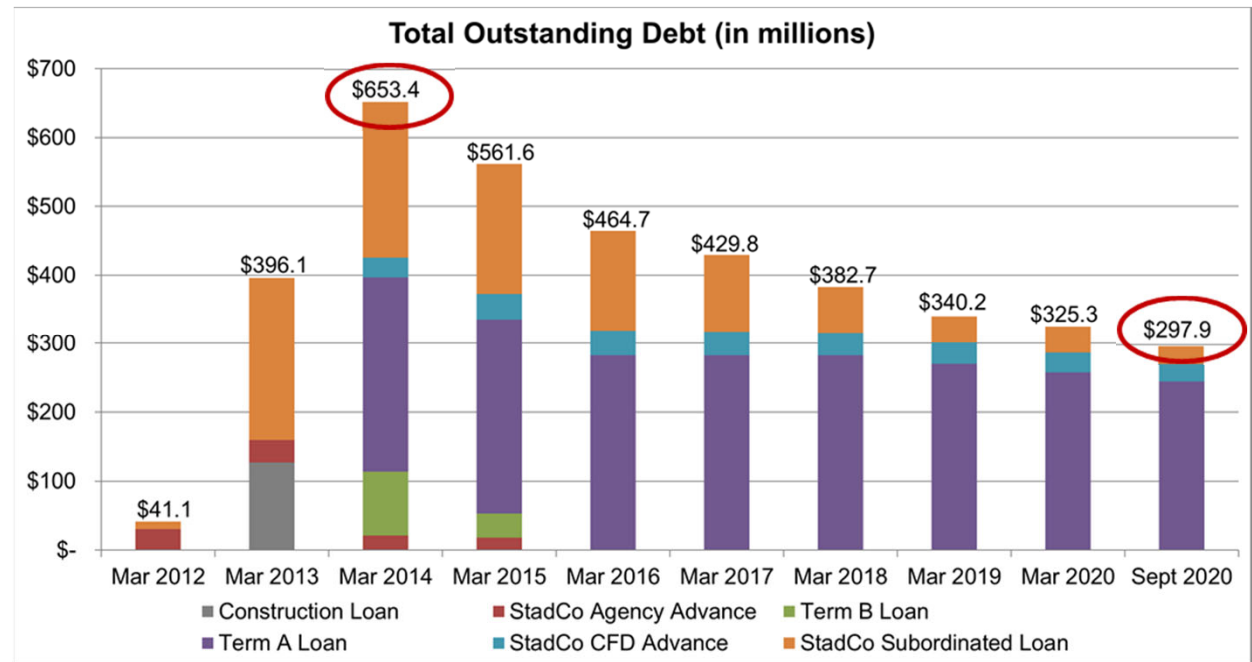
Discretionary Fund

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; 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 through Q2:
 - Bicycles
 - Motorola APX 6000 Radio
 - Heavy Lift Kit
 - Storage Conex Garage

COVID-19 Impact

	<u>2020/21 Impact</u>
Revenue Loss	
NFL Ticket Surcharge	\$ 8,665,000
Net Revenues from Non-NFL Events	1,500,000
Facility Rent (3 games)	7,428,600
Non-NFL Event Ticket Surcharge	572,000
Total Revenue Loss	\$ 18,165,600
Solutions/Savings	
Shared Stadium Manager Expenses	\$ 2,443,000
SBL Sales & Service and SBL Holder Buffet	1,518,000
Discretionary Fund Expense	250,000
Utilities	333,000
Use of StadCo Tenant Improvements	73,000
Operating/Vacancy Savings (SCSA)	1,915,000
Other Expenses	405,000
Subloan Ledger Credit/Operating Reserve ⁽¹⁾	11,228,600
Total Solutions/Savings	\$ 18,165,600

⁽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 September 30, 2020.

SCSA

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