Santa Clara Stadium Authority

Financial Status Reports

December 11, 2018
Financial Status Report
for the Quarter Ending
September 30, 2018
Financial Status Report

• NFL Events
• Non-NFL Events
• Operating Budget Status
  • Stadium Builder Licenses (SBLs)
  • Discretionary Fund
• Debt Schedules
• Capital Improvement Program
NFL Events

• Three NFL events were held in 2018/19 as of September 30, 2018

• A total of 190,840 tickets were sold
  • Stadium Authority received $1.7 million in NFL ticket surcharge revenue based on 10% of ticket sales to NFL events
  • City of Santa Clara received $67,000 in Senior & Youth Fees based on $0.35/ticket to NFL events
NFL Events - Parking

- A total of 15,030 cars were parked in offsite parking lots generating $85,000 in offsite parking fees
- A total of 1,244 cars were parked in the Tasman Lots generating $6,000 in parking fees for the General Fund
NFL Events – Public Safety Costs

- Public safety costs amounted to $741,000:
  - $594,000 (80%) are direct City costs
  - $147,000 (20%) are outside agency costs
  - $85,000 were covered by the offsite parking fee
Non-NFL Events

- Seven ticketed Non-NFL events
- A total of 231,849 tickets were sold
  - Stadium Authority received $927,000 in Non-NFL ticket surcharge revenue based on $4 per ticket sold to all non-NFL events (one-half for stadium operations and one-half for Stadium Authority Discretionary Fund)
- Total of 41 non-ticketed events with 15,943 attendees
Non-NFL Events - Parking

- A total of 22,338 cars were parked in offsite parking lots generating $124,000 in offsite parking fees.
Non-NFL Events – Public Safety Costs

- Public safety costs amounted to $1.3 million:
  - $1.1 million (84%) are direct City costs
  - $214,000 (16%) are outside agency costs
  - $124,000 were covered by the offsite parking fee
Operating Budget Status

- Total Operating Revenues equaled $26 million or 20% of annual budget
- Total Operating Expenses equaled $19.8 million or 15% of annual budget
  - Revenues and expenses are below 50% because the non-NFL event activity is not recorded until the end of the fiscal year per agreements
Stadium Builder Licenses (SBLs)

- Value of currently active SBLs is $531.3 million (60,175 or 91.3% of 65,877 sellable SBLs)
- A total of 80% of principal value has been collected as of 9/30/18 ($425.4 million)
- 504 new SBLs were sold with total face value of $3.2 million
Stadium Builder Licenses (SBLs) (cont.)

• SBL relocations netted 206 more SBLs
  • Increase of $1.2 million in SBL face value
• Defaulted SBLs amounted to 1,001 with value of $6.1 million
  • Defaulted SBLs have either been resold or are available for resale at full price
  • $20 million life-to-date has been collected from defaulted SBL holders
Discretionary Fund

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Beginning Balance</th>
<th>Revenue</th>
<th>Expenses</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>$ -</td>
<td>$ 715,770</td>
<td>$ 714,028</td>
<td>$ 1,742</td>
</tr>
<tr>
<td>2015/16</td>
<td>1,742</td>
<td>1,238,542</td>
<td>699,129</td>
<td>541,155</td>
</tr>
<tr>
<td>2016/17</td>
<td>541,155</td>
<td>1,164,698</td>
<td>1,209,342</td>
<td>496,511</td>
</tr>
<tr>
<td>2017/18</td>
<td>496,511</td>
<td>768,564</td>
<td>-</td>
<td>1,265,075</td>
</tr>
<tr>
<td>2018/19</td>
<td>1,265,075</td>
<td>463,698</td>
<td>48,185</td>
<td>1,680,589</td>
</tr>
</tbody>
</table>

- Current balance is $1.7 million
- Expenses in 2018/19 were for consulting services
- Discretionary fund previously used to pay NFL public safety costs above the public safety threshold
  - Stadium Authority in discussions with the Stadium Manager regarding threshold
Debt Schedule

<table>
<thead>
<tr>
<th>Type of Indebtedness</th>
<th>Interest Rates</th>
<th>Outstanding as of March 31, 2018</th>
<th>Net Change</th>
<th>Outstanding as of September 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stadium Funding Trust Loan:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term A Loan</td>
<td>5.00%</td>
<td>$282,794,108</td>
<td>$(12,527,696)</td>
<td>$270,266,412</td>
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<tr>
<td>StadCo CFD Advance</td>
<td>5.73%</td>
<td>32,834,885</td>
<td>(1,178,451)</td>
<td>31,656,434</td>
</tr>
<tr>
<td>StadCo Subordinated Loan</td>
<td>5.50%</td>
<td>67,032,627</td>
<td>(4,505,279)</td>
<td>62,527,348</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$382,661,620</strong></td>
<td><strong>(18,211,426)</strong></td>
<td><strong>$364,450,194</strong></td>
</tr>
</tbody>
</table>

- Total outstanding debt as of 9/30/18 was $364.5 million
- Reduction of $18.2 million from March 2018
History of Debt Schedule

Decrease of $288.9M from March 2014
Capital Improvement Program (CIP)

- Total CIP Budget of $8 million
- $6.4 million is appropriated for Stadium CIP costs
  - $935,000 was spent on various projects such as floor restorations, stadium field conduits for special events, fire sprinkler system, and the flag poles
- $1.6 million is budgeted for work required to address items covered by warranty
  - $34,000 was spent on the expansion joint waterproofing warranty item
Recommendation

• Note and file the Santa Clara Stadium Authority Financial Status Report for the Quarter Ending September 30, 2018