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SANTA CLARA STADIUM AUTHORITY
(a Component Unit of the City of Santa Clara, California)

Financial Statements

March 31, 2026 and 2025

(With Independent Auditors' Report Thereon)

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SANTA CLARA STADIUM AUTHORITY
(a Component Unit of the City of Santa Clara, California)

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Santa Clara Stadium Authority
Santa Clara, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Santa Clara Stadium Authority (the Authority), a component unit of the City of Santa Clara, California, as of and for the year ended March 31, 2026, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of March 31, 2026, and the respective changes in financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Authority as of March 31, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

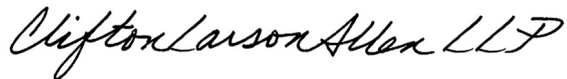
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Clara Stadium Authority's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
September 9, 2026

SANTA CLARA STADIUM AUTHORITY
(a Component Unit of the City of Santa Clara, California)
Management's Discussion and Analysis (Unaudited)
March 31, 2026 and 2025

The management's discussion and analysis of the Santa Clara Stadium Authority (Stadium Authority) provides an overall review of the Stadium Authority's financial activities for the fiscal years ended March 31, 2026 and 2025. The intent of this discussion and analysis is to look at the Stadium Authority's financial performance as a whole. Readers should review the discussion and analysis in conjunction with the basic financial statements, including the notes to the basic financial statements to enhance their understanding of the Stadium Authority's financial performance.

The Stadium Authority has elected to provide comparative financial statements to better assist the reader. The Stadium Authority's fiscal year runs from April 1 through March 31 to conform to the fiscal year of the Stadium Funding Trust (FinanceCo). The Stadium Authority is a component unit of the City of Santa Clara, California (City) whose fiscal year is July 1 through June 30.

The Stadium Authority exists as a public body, separate and distinct from the City. It was established to provide for the development and operation of Levi's Stadium.

Financial Highlights

Key financial highlights for the fiscal year ended March 31, 2026 are as follows:

- The carrying value of Levi's Stadium, net of depreciation, is \$647.2 million.
- During the fiscal year, there were ten San Francisco Forty Niner (Forty Niner) National Football League (NFL) games, eight large-scale ticketed Non-NFL events, forty-three (43) smaller special events, and Super Bowl LX held at Levi's Stadium.
- The Stadium Authority recognized \$89.1 million in operating revenue and \$65.6 million in operating expenses.
- The revenues from the Non-NFL events were \$24.7 million and the related expenses were \$16.6 million resulting in net Non-NFL event revenue of \$8.1 million.
- Debt service payments during the fiscal year totaled \$20.6 million. Overall remaining outstanding debt was reduced by \$9.9 million.
- The assets of the Stadium Authority exceeded its liabilities and deferred inflows of resources by \$209.1 million, an increase of \$30.7 million during the fiscal year, from the operation of Levi's Stadium.
- The City received \$1.0 million for stadium ground rent and \$3.5 million for performance-based rent. Additionally, the City is required to be fully reimbursed for all its administration and public safety costs by either the Stadium Authority for Non-NFL events or Forty Niners SC Stadium Company LLC (StadCo) for Forty Niner NFL events. The City is also required to be fully reimbursed for all Super Bowl LX qualified event expenses by either the Bay Area Host Committee (BAHC) or StadCo.

Overview of the Financial Statements

This annual report consists of a series of financial statements and the notes to those statements. These statements are organized so the reader can understand the Stadium Authority as a financial whole. The basic financial statements provide both a short-term and long-term view of the Stadium Authority's financial activities and financial position.

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March 31, 2026 and 2025

The basic financial statements comprise the statements of net position, the statements of revenues, expenses, and changes in net position, the statements of cash flows, and the notes to the financial statements. The statements of net position provide information about the financial position of the Stadium Authority as a whole, including all of its long-term liabilities on the full accrual basis. The statements of revenues, expenses, and changes in net position provide information about all revenue and expenses. The statements of cash flows provide information about cash activities for the period.

Financial Analysis of the Stadium Authority as a Whole

The Stadium Authority's net position at March 31, 2026, March 31, 2025, and March 31, 2024 is as follows:

	<u>FY 2026</u>	<u>FY 2025</u>	<u>FY 2024</u>	<u>FY 2026 increase (decrease)</u>	<u>FY 2025 increase (decrease)</u>
Assets:					
Capital assets	\$ 683,228,533	693,318,305	705,705,977	(10,089,772)	(12,387,672)
Other assets	730,695,436	733,051,836	738,709,840	(2,356,400)	(5,658,004)
Total assets	<u>\$ 1,413,923,969</u>	<u>1,426,370,141</u>	<u>1,444,415,817</u>	<u>(12,446,172)</u>	<u>(18,045,676)</u>
Liabilities:					
Current unearned revenue	\$ 16,452,464	16,394,288	16,129,950	58,176	264,338
Other current liabilities	22,945,518	27,693,381	37,184,066	(4,747,863)	(9,490,685)
Long-term unearned revenue	390,982,896	401,565,885	409,068,741	(10,582,989)	(7,502,856)
Other long-term liabilities	229,916,784	240,731,216	250,689,036	(10,814,432)	(9,957,820)
Total liabilities	<u>\$ 660,297,662</u>	<u>686,384,770</u>	<u>713,071,793</u>	<u>(26,087,108)</u>	<u>(26,687,023)</u>
Deferred inflows of resources:					
Deferred inflows leases related	\$ 544,535,833	561,552,578	578,569,323	(17,016,745)	(17,016,745)
Total deferred inflows of resources	<u>\$ 544,535,833</u>	<u>561,552,578</u>	<u>578,569,323</u>	<u>(17,016,745)</u>	<u>(17,016,745)</u>
Net position:					
Net investment in capital assets	\$ 455,585,423	455,678,670	456,438,951	(93,247)	(760,281)
Restricted for:					
Debt service	13,025,390	12,654,503	12,298,802	370,887	355,701
Capital projects and other agreements	99,773,286	92,964,776	81,938,065	6,808,510	11,026,711
Unrestricted deficit	<u>(359,293,625)</u>	<u>(382,865,156)</u>	<u>(397,901,117)</u>	<u>23,571,531</u>	<u>15,035,961</u>
Total net position	<u>\$ 209,090,474</u>	<u>178,432,793</u>	<u>152,774,701</u>	<u>30,657,681</u>	<u>25,658,092</u>

Fiscal Year 2025-26 Analysis

Capital assets decreased when compared to the prior year by \$10.1 million due to annual depreciation, partially offset by equipment and building improvement additions (note 4). Other assets decreased by \$2.4 million when compared to the prior year. This was due to a decrease in the lease receivable that was paid by StadCo, offset by increases to cash balances in the Renovation/Demolition Reserve and the new Public Safety Cost Reserve bank accounts as well as an increase in prepaid expenses related to the FIFA World Cup 2026 tickets and suite expenses that were owed to Levi's Strauss in accordance with naming rights agreements. Liabilities decreased by \$26.1 million when compared to the prior year. This is primarily due to the paydown of the Public Safety Cost 2024 Outstanding Balance, principal payment of long-term debt (note 5) and a decrease in unearned

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Stadium Builder License (SBL) revenue as it is amortized annually. Total net position for the Stadium Authority, as a whole, increased by \$30.7 million between March 31, 2025 and March 31, 2026 to \$209.1 million.

Fiscal Year 2024-25 Analysis

Capital assets decreased when compared to the prior year by \$12.4 million due to annual depreciation, partially offset by equipment and building additions (note 4). Other assets decreased when compared to the prior year by \$5.7 million. This was due to a decrease in the lease receivable that was paid by StadCo offset by an increase in accounts receivable from higher net Non-NFL event revenue. Liabilities decreased by \$26.7 million compared to the prior year. This is primarily due to the paydown of the Public Safety Cost 2024 Outstanding Balance, payment of performance-based rent to the City (note 6), principal payment of long-term debt (note 5) and a decrease in unearned SBL revenue as it is amortized annually. Total net position for the Stadium Authority, as a whole, increased by \$25.7 million between March 31, 2024 and March 31, 2025 to \$178.4 million.

The Stadium Authority's revenues, expenses, and changes in net position for the fiscal years ended March 31, 2026, March 31, 2025, and March 31, 2024 are as follows:

	<u>FY 2026</u>	<u>FY 2025</u>	<u>FY 2024</u>	<u>FY 2026 increase (decrease)</u>	<u>FY 2025 increase (decrease)</u>
Operating revenues	\$ 89,117,000	83,338,250	81,892,188	5,778,750	1,446,062
Operating expenses	(65,612,490)	(62,037,540)	(79,659,943)	(3,574,950)	17,622,403
Operating income	23,504,510	21,300,710	2,232,245	2,203,800	19,068,465
Nonoperating revenues	19,551,043	19,000,112	18,819,490	550,931	180,622
Nonoperating expenses	(16,167,137)	(18,051,305)	(12,342,207)	1,884,168	(5,709,098)
Income before contributions and other revenues	26,888,416	22,249,517	8,709,528	4,638,899	13,539,989
Contributions and other revenues	3,769,265	3,408,575	3,467,625	360,690	(59,050)
Increase in net position	30,657,681	25,658,092	12,177,153	4,999,589	13,480,939
Total net position – beginning of fiscal period	178,432,793	152,774,701	140,597,548	25,658,092	12,177,153
Total net position – end of fiscal period	\$ 209,090,474	178,432,793	152,774,701	30,657,681	25,658,092

Fiscal Year 2025-26 Analysis

Stadium Authority operating revenues increased by \$5.8 million when compared to the prior year. This was mainly due to increases in Non-NFL event ticket surcharge as the minimum per ticket surcharge was increased from \$4 per ticket to \$8 per ticket and NFL ticket surcharge related to higher NFL season ticket prices. The operating expenses increased by \$3.6 million compared to the prior year. This increase is primarily related to higher Non-NFL event expenses and Stadium Manager expenses offset by lower performance-based rent.

Nonoperating revenues increased by \$551 thousand mainly due to revenue from StadCo for its share of the Levi's Strauss naming rights signage refurbishment project per the applicable agreements. Nonoperating expenses decreased by \$1.9 million when compared to the prior year. This is mainly due to a lower payment to

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the City's general fund related to Stadium Authority excess revenues as described in the Stadium Lease as well as lower interest expense resulting from lower debt balances.

Contributions and other revenues were \$3.8 million, an increase of \$361 thousand from the prior fiscal year. These represent special hotel tax revenues collected to pay the CFD Advance Loan (note 5).

Fiscal Year 2024-25 Analysis

Stadium Authority operating revenues increased by \$1.4 million when compared with the prior year. This was mainly due to increases in revenue from ticketed Non-NFL events, rents and licenses and NFL ticket surcharge. The operating expenses decreased by \$17.6 million compared to the prior year. This decrease is primarily due to lower Stadium Manager expenses, Non-NFL events expenses and public safety costs over threshold. The Stadium Authority recognized non-recurring expenses for buffet costs and public safety costs over threshold in fiscal year 2023-24 as a part of the 2024 Settlement Agreement.

Nonoperating revenues increased by \$181 thousand mainly due to an increase in bank interest revenue offset by a decrease in interest income from SBLs. Nonoperating expenses increased by \$5.7 million due to the payment to the City's general fund of excess revenues as described in the Stadium Lease.

Contributions and other revenues were \$3.4 million, a decrease of \$59 thousand from the prior fiscal year. These represent special hotel tax revenues collected to pay the CFD Advance Loan (note 5).

Capital Assets

The capital assets of the Stadium Authority are those which are used in the performance of the Stadium Authority's functions, including but not limited to infrastructure-related assets. These assets do not include StadCo's tenant improvements. At March 31, 2026, capital assets totaled \$683.2 million.

Further detail may be found in note 4 to the financial statements.

Debt Administration

At March 31, 2026, the Stadium Authority had total debt outstanding of \$209.7 million, as shown in detail in note 5 to the financial statements. Stadium Authority's debt comprised Stadium Funding Trust Term A loan of \$184.8 million and the CFD Advance Loan of \$24.9 million.

Economic and Financial Overview

Economic forecasts project growth however recent developments related to the Middle East conflict resulting in higher gas prices, inflation, lower consumer spending and significant financial market volatility create some uncertainty. However, the local economy continues to show positive signs. While unemployment rates at the national and state level have increased slightly over the past several years, the rate for this region remains consistently below the rate for the state and closer to the national level. Additionally, property values in the City of Santa Clara remain high. There continues to be commercial and residential development, including several projects in the vicinity of Levi's Stadium. The past few years have also seen increases in hotel nights and rates

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March 31, 2026 and 2025

resulting in increases to Community Facilities District (CFD) taxes that flow to the Stadium Authority to pay down debt. Major financial factors impacting the Stadium Authority are:

- In May 2013, a Naming Rights Agreement with Levi Strauss & Co. (Levi's) was approved naming the Stadium "Levi's Stadium" for a term of 20 years. In January 2024, the First Amendment to Naming Rights Agreement with Levi's was approved extending the initial term an additional 10 years. The naming rights agreement and its first amendment calls for Levi's to pay a total of \$273.1 million to the Stadium Authority over the 30-year period. The agreement requires the Stadium Authority to hold at least 36 "Major Events" (with 25,000+ attendees) every three contract years. The Second Amendment to the Stadium Management Agreement states that Forty Niners Stadium Management Company, LLC (ManagementCo) would pay the Stadium Authority as liquidated damages the amount owed by the Stadium Authority to Levi's in the event the required number of events is not met. As of March 31, 2026, the Stadium Authority has received \$85.6 million in naming rights revenue.
- Stadium Builders Licenses (SBLs) entitle the license holder to priority rights to buy tickets for events at Levi's Stadium. The total value of the currently active SBL holders' licenses is \$562.9 million. Through March 31, 2026, \$572.0 million in SBL principal payments have been collected since inception. This is due in part to a number of SBL holders paying off or prepaying a large portion of their SBL, and defaulted SBLs being resold at full price. In addition to SBL collections, the Stadium Authority has collected \$72.4 million in interest from license holders who financed their SBLs since inception.
- The Stadium Authority collected \$24.8 million in lease revenue during the NFL season and \$8.1 million net revenue associated with hosting Non-NFL events for the fiscal year ended March 31, 2026.
- The Stadium Authority collects a 10% surcharge on the price of admission to all regular season NFL games and a minimum of \$8 per ticket surcharge for all ticketed Non-NFL events. There were ten regular season NFL games held at Levi's Stadium during fiscal year ended March 31, 2026, which resulted in \$16.1 million in NFL ticket surcharge revenues. The Stadium Authority also recognized \$4.4 million in Non-NFL event ticket surcharge revenues from the eight large-scale ticketed events held at the Stadium. One of the large-scale events incurred a \$8 per ticket surcharge with the rest incurring a \$10 per ticket surcharge.

Contacting the Stadium Authority's Financial Management

This financial report is designed to provide our residents, taxpayers, investors, and creditors with a general overview of the Stadium Authority's finances and to demonstrate the Stadium Authority's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the City of Santa Clara Finance Department at 1500 Warburton Avenue, Santa Clara, CA 95050-3796.

SANTA CLARA STADIUM AUTHORITY
(a Component Unit of the City of Santa Clara, California)

Statements of Net Position

March 31, 2026 and 2025

Assets	2026	2025
Current assets:		
Cash	\$ 9,925,170	7,977,439
Restricted cash	93,950,934	89,150,424
Restricted cash with fiscal agent	18,847,742	16,553,017
Accounts receivable	20,958,176	23,280,276
Lease receivable	12,457,780	12,189,380
Materials, supplies and prepaids	1,625,000	—
Total current assets	<u>157,764,802</u>	<u>149,150,536</u>
Capital assets:		
Buildings and improvements, net	647,216,119	653,918,308
Machinery and equipment, net	4,480,381	5,531,077
Construction in progress	5,991,770	7,530,524
Right-to-use leased assets, net	<u>25,540,263</u>	<u>26,338,396</u>
Total capital assets	683,228,533	693,318,305
Long-term restricted cash with fiscal agent	11,536,235	11,536,235
Long-term lease receivable	557,643,338	570,101,118
Long-term accounts receivable	<u>3,751,061</u>	<u>2,263,947</u>
Total noncurrent assets	<u>1,256,159,167</u>	<u>1,277,219,605</u>
Total assets	<u>\$ 1,413,923,969</u>	<u>1,426,370,141</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 8,517,385	13,687,329
Retentions payable	495,303	252,042
Interest payable	5,044,028	5,245,166
Due to City of Santa Clara	121,544	316,232
Lease liability, current portion	362,325	354,518
Term A loan payable, current portion	8,404,933	7,838,094
Unearned revenue, current portion	<u>16,452,464</u>	<u>16,394,288</u>
Total current liabilities	<u>39,397,982</u>	<u>44,087,669</u>
Lease liability	28,597,720	28,960,046
Term A loan payable	176,413,316	184,818,250
CFD advance loan payable	24,905,748	26,952,920
Unearned revenue	<u>390,982,896</u>	<u>401,565,885</u>
Total noncurrent liabilities	<u>620,899,680</u>	<u>642,297,101</u>
Total liabilities	<u>660,297,662</u>	<u>686,384,770</u>
Deferred Inflows of Resources		
Deferred inflows leases related	<u>544,535,833</u>	<u>561,552,578</u>
Total deferred inflows of resources	<u>544,535,833</u>	<u>561,552,578</u>
Net Position		
Net investment in capital assets	455,585,423	455,678,670
Restricted for:		
Debt service	13,025,390	12,654,503
Capital projects and other agreements	102,349,648	92,964,776
Unrestricted deficit	<u>(361,869,987)</u>	<u>(382,865,156)</u>
Total net position	<u>\$ 209,090,474</u>	<u>178,432,793</u>

See accompanying notes to financial statements.

SANTA CLARA STADIUM AUTHORITY
(a Component Unit of the City of Santa Clara, California)
Statements of Revenues, Expenses and Changes in Net Position
March 31, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Operating revenues:		
Charges for services	\$ 46,290,361	41,060,384
Rents and licensing	<u>42,826,639</u>	<u>42,277,866</u>
	<u>89,117,000</u>	<u>83,338,250</u>
Operating expenses:		
Leases	3,843,009	4,860,489
Materials, services, and supplies	40,229,053	36,325,126
Selling, general, and administrative expenses	2,161,523	2,286,484
Depreciation	<u>19,378,905</u>	<u>18,565,441</u>
	<u>65,612,490</u>	<u>62,037,540</u>
Operating income	23,504,510	21,300,710
Nonoperating revenues (expenses):		
Interest revenue	18,865,490	19,000,112
Other revenue	685,553	—
Interest expense	(11,379,627)	(11,885,849)
Other expense	<u>(4,787,510)</u>	<u>(6,165,456)</u>
Income before contributions and other revenues	26,888,416	22,249,517
Contributions:		
Contribution from Community Facilities District	<u>3,769,265</u>	<u>3,408,575</u>
Change in net position	30,657,681	25,658,092
Net position – beginning of period	<u>178,432,793</u>	<u>152,774,701</u>
Net position – end of period	<u>\$ 209,090,474</u>	<u>178,432,793</u>

See accompanying notes to financial statements.

SANTA CLARA STADIUM AUTHORITY
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Statements of Cash Flows

March 31, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Cash flows from operating activities:		
Receipts from customers	\$ 49,178,382	37,572,953
Payments to suppliers	(54,387,485)	(54,111,810)
Rents and licensing received	38,379,215	40,930,472
Net cash provided by operating activities	<u>33,170,112</u>	<u>24,391,615</u>
Cash flows from noncapital financing activities:		
Net borrowings from other City of Santa Clara funds	(194,688)	(156,898)
Distribution to City of Santa Clara	(4,787,510)	(6,165,456)
Net cash used in noncapital financing activities	<u>(4,982,198)</u>	<u>(6,322,354)</u>
Cash flows from capital and related financing activities:		
Contribution from Community Facilities District	3,545,592	3,363,652
Acquisition and construction of capital assets	(8,093,542)	(6,236,653)
Principal payments on capital debt	(9,885,267)	(9,058,562)
Interest paid on capital debt	(10,935,284)	(11,420,300)
Net cash used in capital and related financing activities	<u>(25,368,501)</u>	<u>(23,351,863)</u>
Cash flows from investing activity:		
Interest and dividends	6,223,553	5,995,058
Net cash provided by investing activity	<u>6,223,553</u>	<u>5,995,058</u>
Net increase in cash and restricted cash	9,042,966	712,456
Cash and restricted cash, beginning of period	<u>125,217,115</u>	<u>124,504,659</u>
Cash and restricted cash, end of period	<u>\$ 134,260,081</u>	<u>125,217,115</u>
Reconciliation of operating income to cash provided by operating activities:		
Operating income	\$ 23,504,510	21,300,710
Depreciation	19,378,905	18,565,441
Lease revenues	7,745,255	7,745,255
Lease expenses	(1,000,000)	(1,000,000)
Change in operating assets and liabilities:		
Accounts receivable	1,220,155	(5,341,562)
Prepaid expenses	(1,625,000)	—
Accounts payable and accrued liabilities	(5,528,900)	(9,639,711)
Unearned revenue	(10,524,813)	(7,238,518)
Net cash provided by operating activities	<u>\$ 33,170,112</u>	<u>24,391,615</u>
Noncash operating and capital financing activities:		
Equipment purchases included in accounts payable and accrued expense	\$ 358,956	(58,884)

See accompanying notes to financial statements.

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Notes to Financial Statements

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(1) Organization and Reporting Entity

(a) Organization

On June 8, 2010, residents of Santa Clara voted to adopt Measure J, the Santa Clara Stadium Taxpayer Protection and Economic Progress Act, resulting in the approval to construct a new 68,500-seat football stadium (the Stadium) to be leased to the San Francisco 49ers (49ers). In addition, Measure J called for the creation of the Santa Clara Stadium Authority to own, develop, construct, operate, and maintain the Stadium project. The City of Santa Clara, California (City) and the City of Santa Clara Redevelopment Agency (Agency) entered into a Joint Exercise of Powers Agreement (JPA Agreement) establishing the Santa Clara Stadium Authority (Stadium Authority). The JPA Agreement was later amended to add the Bayshore North Project Enhancement Authority as a member of the Stadium Authority. On June 28, 2011, the Governor signed into law Assembly Bill No. X1 26 (ABX1 26), which called for the dissolution of Redevelopment Agencies throughout the State. The California State Supreme Court upheld ABX1 26, and as a result, on February 1, 2012, all California Redevelopment Agencies were dissolved. The Successor Agency of the City of Santa Clara (Successor Agency) then assumed the obligations of the Agency under the JPA Agreement.

(b) Financial Reporting Entity

As defined by US generally accepted accounting principles (GAAP), the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

Based upon the application of these criteria, the Stadium Authority has no component units. However, the Stadium Authority is a component unit of the City due to the Mayor and City Council serving as the Board of the Stadium Authority and therefore meeting the financial accountability criteria. The City Manager serves as the Executive Director. The debt which was incurred for the construction of the Stadium is the responsibility of the Stadium Authority. The City is not a party to the debt nor has the City guaranteed such debt.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements of the Stadium Authority have been prepared in conformity with GAAP, as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing government accounting and financial reporting principles. The Stadium Authority is included as an enterprise fund in the City's Annual Financial Report, and therefore, these financial statements do not purport to represent the financial position and changes in financial position of the City.

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(b) Basis of Accounting and Measurement Focus

The Stadium Authority reports its activities as a business-type activity. The financial statements include statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows, and are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the statements of net position. Reported net position is segregated into three categories – net investment in capital assets, restricted, and unrestricted. The statements of revenues, expenses, and changes in net position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which a liability is incurred.

Operating revenues are those revenues that are generated from the primary operations of the Stadium Authority. All other revenues are reported as nonoperating. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

During the year ended March 31, 2026, the Stadium Authority implemented the following GASB Statements:

The GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about the risks related to a government’s vulnerabilities due to certain concentrations or constraints. This statement is effective for fiscal years beginning after June 15, 2024. The implementation had no effect on the financial statements.

The Stadium Authority is analyzing the effects of the following pronouncements and plans to adopt them by the effective dates:

The GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This statement is effective for fiscal years beginning after June 15, 2025. The Stadium Authority is currently evaluating the impact on the financial statements.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This statement is effective for fiscal years beginning after June 15, 2025. The Stadium Authority is currently evaluating the impact on the financial statements.

The GASB issued Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve financial reporting related to subsequent events by enhancing consistency and providing users of government financial statements with essential information about subsequent events. This statement is effective for fiscal years beginning after June 15, 2026. The Stadium Authority is currently evaluating the impact on the financial statements.

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(c) Year-End

An amendment was made to the JPA Agreement on November 13, 2012 in part to change the fiscal year of the Stadium Authority from a July 1 through June 30 fiscal year to an April 1 through March 31 fiscal year to conform with the fiscal year of Stadium Funding Trust.

(d) Cash, Restricted Cash, and Restricted Cash with Fiscal Agent

The Stadium Authority's cash is not pooled with the City but is held in separate bank and trust accounts.

(i) Composition of Cash, Restricted Cash, and Restricted Cash with Fiscal Agent

Cash, restricted cash, and restricted cash with fiscal agent at March 31, 2026 and 2025 consist of cash deposits in banks.

Restricted cash includes revenue that has not yet been transferred to Stadium Funding Trust accounts. On the fifteenth of the following month, all revenue is swept into the Stadium Funding Trust accounts as required by the Deposit and Disbursement Agreement and becomes restricted cash with fiscal agent. It also includes cash dedicated to construction and the capital expenditure, operating, and renovation/demolition reserve accounts.

Restricted cash with fiscal agent consists of stadium deposits pledged to a syndicate of lenders. The application of these deposits is restricted to Stadium Authority operations and debt service.

(ii) Reserves Authorized by Debt Agreements

Stadium Authority maintains required amount of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if Stadium Authority fails to meet its obligations under these debt issues. The California Government Code 53601 (L) allows these funds to be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, other arrangements, or certificates of participation in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

(iii) Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Under California Government Code Section 53651, depending on specific types of eligible securities, a bank must deposit eligible securities posted as collateral with its agent having a fair value of 105% to 150% of the Stadium Authority's cash on deposit. All of the deposits are either insured by the Federal Depository Insurance Corporation (FDIC) or collateralized with pledged securities held in the trust department of the financial institutions.

(e) Accounts Receivable

Accounts receivable are recorded in the Stadium Authority's accounts at the amounts that are contractually due. Accounts receivable include payments due from ManagementCo as a result of the

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operations of non-National Football League (NFL) events held at the Stadium and the overpayment of stadium manager expenses. Naming Rights revenue due from Levi's Strauss & Co., special tax proceeds collected by the Community Facilities District (CFD) and not yet paid to Stadium Authority pursuant to the CFD Reimbursement Agreement, and other miscellaneous receivables are also included as accounts receivable in the statements of net position.

(f) Capital Assets

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets with a value over \$10,000 and is charged as an expense against operations.

	Useful lives (years)
Buildings and improvements	10–50
Machinery and equipment	2–25

The cost of maintenance, repairs, minor replacements, and renewals are charged to operations as incurred. Major replacements, renewals, and betterments are capitalized. Sales and retirements of depreciable property are recorded by removing the related cost and accumulated depreciation from the accounts. Gains or losses on sales and retirements of property are reflected in the statements of revenues, expenses, and changes in net position.

(g) Unearned Revenue and Revenue Recognition

Stadium Builder License (SBL) proceeds and payments received for other license agreements are initially recorded as unearned revenue and are recognized as revenue over the term of the contracts. SBL defaults are recognized in the year earned. Rental income is recognized as revenue based on GASB 87 over the term of the Stadium Lease (note 2(k)).

Non-NFL event revenue, NFL ticket surcharge, Non-NFL ticket surcharge, and other operating revenues are recognized as they are earned.

(h) Risk Management

Per the terms of the Stadium Lease, during operations, the Forty Niners SC Stadium Company LLC (StadCo) procures insurance and the Stadium Authority pays a proportionate share to StadCo.

(i) Income Taxes

The Stadium Authority falls under the purview of Internal Revenue Code, Section 115 and corresponding California Revenue and Taxation Code provisions. As such, the Stadium Authority is not subject to federal or state income taxes.

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(j) Use of Estimates

The preparation of financial statements in conformity with US generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(k) Lease Agreements

GASB 87, *Leases*, requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor to recognize a lease receivable and a deferred inflow of resources, for all leases.

Lessee – The Stadium Authority is a lessee for a noncancelable ground lease. The Stadium Authority recognizes any lease liability with an initial and individual value of \$100,000, and an intangible right-to-use leased asset (lease asset) in the statements of net position.

At the commencement of a lease, the Stadium Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Stadium Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments as follows:

- The Stadium Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Stadium Authority generally uses its estimated incremental borrowing rate as the discount rate for leases. The Stadium Authority used a 2.18% discount rate for the expected lease payments to present value.
- The lease term includes the noncancelable period of the lease and options to extend that it is reasonably certain to exercise. The Stadium Authority has included the exercise of one of the four-year renewal options due to the time it would take and the complexity of negotiating new lease terms with lessor.
- Lease payments included in the measurement of the lease liability are composed of fixed payments.

The Stadium Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. The Stadium Authority has the Ground Lease with the City (note 6). As of March 31, 2026, the balances related to the lease liability and right-to-use lease asset were \$29.0 million and \$25.5 million respectively. The lease has remaining terms of 33 years as of April 1, 2025. As of March 31, 2026, the Stadium Authority recognized \$798 thousand in lease amortization expense and \$640 thousand in interest expense. Similarly, as of March 31, 2025, the

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Stadium Authority recognized \$798 thousand in lease amortization expense and \$648 thousand in interest expense.

A summary of lease liability activity during the year ended March 31, 2026 is as follows:

		March 31, 2025	Additions	Reductions	March 31, 2026	Amounts due within one year
Lease liability	\$	29,314,564	—	(354,519)	28,960,045	362,324
Total lease liability	\$	29,314,564	—	(354,519)	28,960,045	362,324

A summary of lease liability activity during the year ended March 31, 2025 is as follows:

		March 31, 2024	Additions	Reductions	March 31, 2025	Amounts due within one year
Lease liability	\$	29,321,106	—	(6,542)	29,314,564	354,519
Total lease liability	\$	29,321,106	—	(6,542)	29,314,564	354,519

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Right-to-use leased assets for the years ended March 31, 2026 is as follows:

	March 31, 2025	Additions	Reductions	March 31, 2026
Right-to-use leased assets being depreciated:				
Land	\$ 29,530,929	—	—	29,530,929
Total right-to-use leased assets	29,530,929	—	—	29,530,929
Less accumulated depreciation for:				
Land	(3,192,533)	—	(798,133)	(3,990,666)
Total accumulated depreciation	(3,192,533)	—	(798,133)	(3,990,666)
Total right-to-use leased assets, net	\$ 26,338,396	—	(798,133)	25,540,263

Right-to-use leased assets for the years ended March 31, 2025 is as follows:

	March 31, 2024	Additions	Reductions	March 31, 2025
Right-to-use leased assets being depreciated:				
Land	\$ 29,530,929	—	—	29,530,929
Total right-to-use leased assets	29,530,929	—	—	29,530,929
Less accumulated depreciation for:				
Land	(2,394,400)	—	(798,133)	(3,192,533)
Total accumulated depreciation	(2,394,400)	—	(798,133)	(3,192,533)
Total right-to-use leased assets, net	\$ 27,136,529	—	(798,133)	26,338,396

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Future principal and interest payments on the lease liability are as follows as of March 31, 2026:

	Principal	Interest
Year ending March 31:		
2027	\$ 362,325	637,675
2028	370,303	629,697
2029	378,456	621,544
2030	486,790	613,210
2031	497,508	602,492
2032-2036	2,858,969	2,841,031
2037-2041	3,710,409	2,489,591
2042-2046	4,659,809	2,040,191
2047-2051	5,718,439	1,481,561
2052-2056	6,858,426	801,574
2057-2058	3,058,611	101,389
Total	\$ 28,960,045	12,859,955

Lessor – The Stadium Authority is a lessor for noncancelable leases of land and building. The Stadium Authority recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the Stadium Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue on a straight-line basis over the life of the lease term.

Key estimates and judgments include how the Stadium Authority determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts as follows:

- The Stadium Authority uses its estimated incremental borrowing rate as the discount rate for leases. The Stadium Authority used a 2.18% discount rate for the expected lease payments to present value.
- The lease term includes the noncancelable period of the lease and options to extend it believes the lessee is reasonably certain to exercise. The Stadium Authority has included the exercise of one of the four-year renewal options due to the time it would take and the complexity of negotiating new lease terms with lessee.
- Lease receipts included in the measurement of the lease receivable comprises fixed payments from the lessee.

The Stadium Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. The Stadium Authority has the Stadium Lease with StadCo (note 6). As of March 31, 2026, the balances related to

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the lease receivable and deferred inflow of resources were \$570.1 million and \$544.5 million, respectively. As of March 31, 2025, the lease receivable and deferred inflow of resources were \$582.3 million and \$561.6 million, respectively. The lease has remaining terms of 33 years as of April 1, 2025. As of March 31, 2026, the Stadium Authority recognized \$17.0 million in lease revenue under the rents and licensing revenue category and \$12.6 million in interest revenue. Similarly, as of March 31, 2025, the Stadium Authority also recognized \$17.0 million in lease revenue under rents and licensing revenue category and \$12.8 million in interest revenue.

A summary of lease receivable activity during the year ended March 31, 2026 is as follows:

	March 31,			March 31,
	2025	Additions	Reductions	2026
Lease receivable	\$ 582,290,498	—	(12,189,380)	570,101,118
Total lease receivable	\$ 582,290,498	—	(12,189,380)	570,101,118

A summary of lease receivable activity during the year ended March 31, 2025 is as follows:

	March 31,			March 31,
	2024	Additions	Reductions	2025
Lease receivable	\$ 594,217,262	—	(11,926,764)	582,290,498
Total lease receivable	\$ 594,217,262	—	(11,926,764)	582,290,498

A summary of deferred inflows of resources activity during the year ended March 31, 2026 is as follows:

	March 31,			March 31,
	2025	Additions	Reductions	2026
Deferred inflows leases related	\$ 561,552,578	—	(17,016,745)	544,535,833
Total deferred inflows leases related	\$ 561,552,578	—	(17,016,745)	544,535,833

A summary of deferred inflows of resources activity during the year ended March 31, 2025 is as follows:

	March 31,			March 31,
	2024	Additions	Reductions	2025
Deferred inflows leases related	\$ 578,569,323	—	(17,016,745)	561,552,578
Total deferred inflows leases related	\$ 578,569,323	—	(17,016,745)	561,552,578

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Future principal and interest receipts from the lease receivable are as follows as of March 31, 2026:

	Principal	Interest
Year ending March 31:		
2027	\$ 12,457,780	12,304,220
2028	12,732,090	12,029,910
2029	13,012,439	11,749,561
2030	13,298,962	11,463,038
2031	13,591,794	11,170,206
2032-2036	72,582,158	51,227,842
2037-2041	80,932,886	42,877,114
2042-2046	90,244,383	33,565,617
2047-2051	100,627,187	23,182,813
2052-2056	112,204,554	11,605,446
2057-2058	48,416,885	1,107,115
Total	\$ 570,101,118	222,282,882

(3) Stadium Development

(a) Transaction Overview

During fiscal year 2011-12, the Stadium Authority and StadCo entered into a series of agreements in connection with the construction of the Stadium. The Stadium was constructed and is owned by the Stadium Authority; certain tenant improvement components are owned by StadCo. Construction on the Stadium began in April 2012 and it was substantially completed in July 2014, in time for the 2014 NFL season.

The City owns the land on which the Stadium was constructed. The City has leased the land to the Stadium Authority under a ground lease, and the Stadium Authority has leased the Stadium to StadCo for the six-month period from August through January (the NFL season) of each year, for an initial lease term of 40 years. The Stadium Lease commenced in August 2014 upon substantial completion of construction.

The Stadium Authority and StadCo have engaged ManagementCo, an affiliate of StadCo, to manage the Stadium on a year-round basis. The Stadium Management Agreement has an initial term of 25 years, plus a 15-year renewal option. The Stadium Authority pays ManagementCo for services related to its operations on behalf of the Stadium Authority. For the years ended March 31, 2026 and 2025, ManagementCo charged the Stadium Authority \$13.1 million and \$11.8 million in shared expenses, and \$5.3 million and \$5.5 million in other operating and management expenses, respectively.

(b) Construction Funding

Funding for construction of the Stadium, excluding tenant improvements funded by StadCo, falls into three major categories: an initial construction loan from a bank syndicate, which was refinanced during

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2013 as described below; funding from the StadCo Subordinated Loan; and construction period and other revenues.

(i) *Stadium Construction Loan Facility*

The initial financing included a delayed draw term loan facility (the Construction Facility) provided by a syndicate of banks (the Lenders) to Stadium Funding Trust (FinanceCo). FinanceCo, a Delaware statutory trust, entered into the Construction Facility with the Lenders and then issued a loan facility to the Stadium Authority in the amount of \$450 million (the Authority Loan). The Construction Facility had a maturity date of September 1, 2015. In June 2013, FinanceCo and the Stadium Authority refinanced the Construction Facility, resulting in FinanceCo paying off the Construction Facility and entering into a new debt structure that includes 26-year fixed rate notes and a delayed draw 5-year loan facility. FinanceCo then issued a new loan facility to the Stadium Authority in the amount of \$450 million. The Stadium Authority's loan facilities are discussed in note 5.

(ii) *StadCo Subordinated Loan*

In March 2012, StadCo agreed to loan the Stadium Authority up to \$500 million (the Subloan) to be used for the construction of Levi's Stadium. During the refinance process in June 2013, the interest rate on the Subloan was fixed and part of the then outstanding Subloan was paid down. The Subloan is discussed in note 5.

(iii) *Construction Period and Other Revenues*

Certain revenues were collected by the Stadium Authority while the Stadium was under construction. These construction period and other revenues primarily consist of SBL and naming rights revenues collected by the Stadium Authority.

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(4) Capital Assets

Capital asset activity for the year ended March 31, 2026 is as follows:

		Balance March 31, 2025	Additions	Reductions	Transfers	Balance March 31, 2026
Nondepreciable assets:						
Construction in progress	\$	7,530,524	9,572,970	(283,837)	(10,827,887)	5,991,770
Total nondepreciable assets		7,530,524	9,572,970	(283,837)	(10,827,887)	5,991,770
Capital assets being depreciated:						
Buildings and improvements		830,191,432	—	—	10,589,245	840,780,677
Machinery and equipment		9,852,476	—	—	238,642	10,091,118
Less accumulated depreciation for:						
Buildings and improvements		(176,273,124)	(17,291,434)	—	—	(193,564,558)
Machinery and equipment		(4,321,399)	(1,289,338)	—	—	(5,610,737)
Net depreciable assets		659,449,385	(18,580,772)	—	10,827,887	651,696,500
Net capital assets	\$	666,979,909	(9,007,802)	(283,837)	—	657,688,270

Capital asset activity for the year ended March 31, 2025 is as follows:

		Balance March 31, 2024	Additions	Reductions	Transfers	Balance March 31, 2025
Nondepreciable assets:						
Construction in progress	\$	4,202,330	7,062,604	(884,835)	(2,849,575)	7,530,524
Total nondepreciable assets		4,202,330	7,062,604	(884,835)	(2,849,575)	7,530,524
Capital assets being depreciated:						
Buildings and improvements		830,191,432	—	—	—	830,191,432
Machinery and equipment		7,002,901	—	—	2,849,575	9,852,476
Less accumulated depreciation for:						
Buildings and improvements		(159,648,096)	(16,625,028)	—	—	(176,273,124)
Machinery and equipment		(3,179,119)	(1,142,280)	—	—	(4,321,399)
Net depreciable assets		674,367,118	(17,767,308)	—	2,849,575	659,449,385
Net capital assets	\$	678,569,448	(10,704,704)	(884,835)	—	666,979,909

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(5) Long-Term Debt

(a) Long-Term Debt Summary

Changes in long-term debt for the year ended March 31, 2026 consisted of the following:

Type of indebtedness	Issue date	Due Date	Interest rates	Outstanding as of March 31, 2025	Additions	Reductions	Outstanding as of March 31, 2026	Amounts due within one year
Business type activity debt:								
Stadium Funding Trust loan								
Term A loan	06/19/13	04/01/39	5.00 %	\$ 192,656,344	—	(7,838,095)	184,818,249	8,404,933
StadCo CFD Advance	04/01/13	12/31/54	5.73	26,952,920	—	(2,047,172)	24,905,748	—
Total				\$ 219,609,264	—	(9,885,267)	209,723,997	8,404,933

Changes in long-term debt for the year ended March 31, 2025 consisted of the following:

Type of indebtedness	Issue date	Due Date	Interest rates	Outstanding as of March 31, 2024	Additions	Reductions	Outstanding as of March 31, 2025	Amounts due within one year
Business type activity debt:								
Stadium Funding Trust loan								
Term A loan	06/19/13	04/01/39	5.00 %	\$ 199,956,240	—	(7,299,896)	192,656,344	7,838,094
StadCo CFD Advance	04/01/13	12/31/54	5.73	28,711,586	—	(1,758,666)	26,952,920	—
Total				\$ 228,667,826	—	(9,058,562)	219,609,264	7,838,094

(b) Stadium Funding Trust Loan

The Restated Credit Agreement by and among FinanceCo, the Stadium Authority and Goldman Sachs Bank was entered into on June 19, 2013. FinanceCo agreed to loan the Stadium Authority up to \$450 million. Under the Restated Credit Agreement, the loan from FinanceCo consists of the Term A Loan and the Term B Loan. On March 31, 2016, the Stadium Authority paid the remaining amount due on the Term B Loan.

(i) Term A Loan

The Term A Loan was made in the amount of \$282.8 million. This loan bears interest at a fixed rate of 5%, payable semiannually, with annual principal payments due beginning in April 2018. It has a maturity date in 2039 and is subject to certain prepayment premiums. The loan was fully drawn at closing. Debt service on this loan is secured by a pledge of available SBL revenues of Stadium Authority.

During the years ended March 31, 2026 and 2025 the Stadium Authority recorded \$9.2 million and \$9.6 million in interest expense and made a principal payments of \$7.8 million and \$7.3 million, respectively. As of March 31, 2026 and 2025, \$184.8 million and \$192.7 million was outstanding, respectively.

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In the event of default under the loan agreement, FinanceCo has the right, upon written notice to the Stadium Authority, to accelerate and declare the Stadium Authority's obligation to repay the related loan to FinanceCo to be immediately due and payable.

(c) StadCo CFD Advance

In May 2010, the City completed the proceedings to establish CFD for the purpose of financing certain publicly owned facilities and public services associated with the Stadium.

On June 11, 2013, the CFD, the Stadium Authority, and StadCo entered into a Reimbursement Agreement under which the CFD would agree to reimburse the Stadium Authority for costs of the publicly owned facilities and public services constructed for the Stadium. The reimbursement can only be made from the special tax generated by the CFD, as and when received by the CFD.

StadCo has agreed to advance to the Stadium Authority funds to pay for the CFD Infrastructure (StadCo CFD Advance). To evidence the Stadium Authority's obligation to repay the StadCo CFD Advance, the Stadium Authority and StadCo also executed a note on June 11, 2013. The StadCo CFD Advance has a maximum principal of \$38 million and an interest rate of 5.73%.

During the year ended March 31, 2026, as the special CFD tax was submitted to the Stadium Authority, a number of payments were made on the StadCo CFD Advance. StadCo CFD Advance payments were made midway through each quarter. The interest that accrued between the last StadCo CFD Advance payment and the end of the year is added to principal.

During the years ended March 31, 2026 and 2025 the Stadium Authority recorded \$1.5 million and \$1.6 million in interest expense and made principal payments of \$2.1 million and \$1.8 million, respectively. As of March 31, 2026 and 2025 \$24.9 million and \$27.0 million was outstanding, respectively.

(d) StadCo Subordinated Loan

The Restated StadCo Obligations Agreement dated as of June 19, 2013 was entered into by and between StadCo and the Stadium Authority as part of the take-out financing process. Under the Restated StadCo Obligations Agreement, StadCo will loan the Stadium Authority an amount not to exceed \$500 million with a fixed 5.50% interest rate. Required principal repayments started in March 2016 and the Stadium Authority may prepay the loan at any time. Debt service on this loan is secured by a pledge of available Stadium Authority revenues on a basis subordinate to outstanding senior loans, if any.

As of March 31, 2026 and 2025, there was no balance outstanding.

In the event of default under the loan agreement, StadCo has the right, upon written notice to the Stadium Authority, to accelerate and declare the Stadium Authority's obligation to repay the related loan to StadCo to be immediately due and payable.

(e) Management Company Revolving Loan

The Management Company Revolving Loan dated as of March 28, 2012 was entered into by and between the Stadium Authority and ManagementCo. The Management Company Revolving Loan

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provides borrowing to the Stadium Authority in an amount not to exceed \$25 million through the earlier of the end of the term of the Stadium Lease or the expiration of the Stadium Management Agreement, with interest at the prime rate payable quarterly. The Management Company Revolving Loan may be used solely for the purpose of enabling the Stadium Authority to pay Covered Stadium Authority Operating Expenses (as defined in the agreement) to the extent, and only to the extent, that funds are not otherwise available. There was no activity on this loan in fiscal years 2024-25 and 2025-26.

As of March 31, 2026 and 2025, there was no balance outstanding.

(f) Pledge of Future Revenues

The pledge of future revenues ends upon repayment of the \$184.8 million in outstanding principal on the Term A which is scheduled to occur in fiscal year 2039-40. For fiscal year 2025-26, revenues including operating revenues and nonoperating interest earnings amounted to \$108.0 million and operating costs including operating expenses, but not interest, depreciation, or amortization amounted to \$46.2 million. Net revenues available for debt service amounted to \$61.8 million, which represented a coverage ratio of 7.4 on the \$8.4 million of debt service to be paid in the coming year.

(g) Long-Term Debt Maturities

Future principal and interest amounts due on long-term debt are as follows as of March 31, 2026:

	<u>Principal</u>	<u>Interest</u>
Year ending March 31:		
2027	\$ 8,404,933	10,247,765
2028	9,001,865	9,797,672
2029	9,630,410	9,316,151
2030	10,292,166	8,801,543
2031	10,988,812	8,252,102
2032-2036	66,743,361	31,666,173
2037-2041	69,756,702	12,595,358
2042-2046	—	7,135,495
2047-2051	—	7,135,495
2052-2055	24,905,748	5,351,622
Total	\$ 209,723,997	110,299,376

(6) Leases

(a) Ground Lease

On February 28, 2012, the Stadium Authority entered into a lease (the Ground Lease) with the City whereby the City leases the Stadium site to the Stadium Authority. The Ground Lease was amended on June 19, 2013 and May 28, 2024.

The Ground Lease has an initial term of 40 years. The first lease year commenced on the first day following the substantial completion of construction (August 1, 2014) and ended on the next following March 31. The subsequent lease years will start on April 1 and end on the following March 31. The

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Stadium Authority will have five successive extension options, each four years in duration, which would commence following the initial term expiration date.

The Ground Lease provides that the City will receive a fixed ground rent (Fixed Ground Rent) of \$180 thousand for the first year of Stadium operations payable by the Stadium Authority. Beginning in the second year of Stadium operations and annually thereafter through the tenth year of Stadium operations, the Fixed Ground Rent will increase annually by \$35 thousand. Beginning in the 11th year of Stadium operations, Fixed Ground Rent will be increased to equal \$1 million, and thereafter will be increased by \$100 thousand every five years through the end of the initial term of the Ground Lease. If the term of the Ground Lease is extended, then, during the first extension term, the Fixed Ground Rent will equal \$1.58 million; and if and to the extent the Ground Lease is further extended, the Fixed Ground Rent will be increased by \$80 thousand every four years thereafter through the expiration of the term of the Ground Lease. Stadium Authority paid the City \$1 million in ground rent in each of the fiscal years ended March 31, 2026 and 2025.

Future minimum payments due under the lease are as follows:

	Lease Payments
Year ending March 31:	
2027	\$ 1,000,000
2028	1,000,000
2029	1,000,000
2030	1,100,000
2031	1,100,000
2032-2036	5,700,000
2037-2041	6,200,000
2042-2046	6,700,000
2047-2051	7,200,000
2052-2054	4,500,000
Total	\$ <u>35,500,000</u>

The Ground Lease also provides that the City will receive a performance-based rent equal to 50% of the net income from Non-NFL events, less certain credits including 50% of the Fixed Ground Rent, payable by the Stadium Authority. If certain of the credits are not used within the year incurred or the next ten succeeding years, the credits will expire. The Stadium Authority reported a net Non-NFL event revenue of \$8.1 million and \$10.2 million in each of the fiscal years ended March 31, 2026 and 2025, which triggers a performance-based rent payment to the City. Performance-based rent payments of \$3.5 million and \$4.6 million have been made to the City for fiscal years ended March 31, 2026 and 2025, respectively.

(b) Stadium Lease

On March 28, 2012, the Stadium Authority entered into a lease with StadCo whereby the Stadium Authority leases the Stadium to StadCo. On June 19, 2013, the same parties entered into an Amended

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and Restated Stadium Lease Agreement (the Stadium Lease). The Stadium Lease was amended on May 28, 2024.

The Stadium Lease has an initial term of 40 years commencing on the first day following the substantial completion of construction (August 1, 2014) and includes five successive options to extend the term by four years each. The Stadium Lease is divided into two seasons:

- The Tenant Season, which includes the NFL season (including preseason, regular season, and postseason NFL games) and runs from August 1 through January 31; and
- The Stadium Authority Season, which runs from February 1 through July 31.

Pursuant to the Stadium Lease, the Stadium Authority and StadCo will be entitled to receive and collect separate revenues. Rent payable by StadCo to the Stadium Authority is \$24.8 million per year. The lease also provides for a fair market rent adjustment in year 33 (fiscal year 2046-47).

The Stadium Authority received \$24.8 million in stadium rent from StadCo in each of the fiscal years ended March 31, 2026 and 2025.

The Stadium Authority may elect to expand the Tenant Season to consist of the entire lease year, from April 1 through the next succeeding March 31 (Stadium Authority Put Right), by delivering written notice to StadCo. The Stadium Authority Put Right may be exercised at any time during lease year 13, (fiscal year 2026-27), or at any time that the Management Company Revolving Loan balance exceeds \$20 million; neither of these criteria have been met. The expansion of the Tenant Season will be effective as of the applicable Tenant Season Expansion Date as set forth in the Stadium Lease. Effective from and after the Tenant Season Expansion Date and continuing through the remainder of the Stadium Lease term, the Tenant Season will consist of the entire lease year.

(7) Commitments and Contingencies

(a) Asset Retirement Obligation

Pursuant to the Ground Lease, the Stadium Authority may be required to demolish the Stadium and other improvements at the end of the lease term, upon written notice from the City. Pursuant to the Stadium Lease, the Stadium Authority has been establishing reserves to fund the cost of demolishing the stadium at the end of the lease term. While such reserves are projected to cover the entire demolition cost, StadCo will be responsible for funding any shortfall.

(b) ManagementCo Offsite Office Space

On January 31, 2025, as part of ManagementCo's fiscal year 2025-26 budget submission, ManagementCo included an estimated office lease space expense of approximately \$620,000. The Stadium Authority did not approve the proposed budgeted amount. No invoice has been submitted for the office lease space expense, and the actual amount, if any, has not been determined. The office lease space expense is currently in dispute between Stadium Authority and ManagementCo and is subject to the dispute resolution process under the applicable agreements. The dispute remains unresolved as of March 31, 2026. Accordingly, no liability has been recorded in the accompanying financial statements as of March 31, 2026.

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(8) Subsequent Events

Management has evaluated subsequent events through September 9, 2026, which is the date the financial statements were available to be issued, and determined there are no other items to disclose.



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