

**CLARK COUNTY STADIUM AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

Petitioner: Steve Hill, Chairman

Recommendation:

That the Clark County Stadium Authority Board of Directors approve and adopt the Stadium Authority's FY 2022-2026 Capital Improvement Program; and direct staff to transmit the approved document to the State of Nevada Department of Taxation as prescribed by law. *(For possible action)*

FISCAL IMPACT:

Fund#:	N/A	Fund Name:	N/A
Fund Center:	N/A	Funded Pgm/Grant:	N/A
Description:	N/A	Amount:	N/A

Added Comments: N/A

BACKGROUND:

Pursuant to NRS section 354.5945, the Stadium Authority must annually update and submit a five-year Capital Improvement Program to the County Clerk and the State of Nevada Department of Taxation. Upon Board approval, staff will submit the FY 2022-2026 CIP to the appropriate agencies in compliance with state statutes

Respectfully submitted,

Steve Hill, Chairman

Cleared for Agenda

Agenda Item #

FY 2022-2026 Capital Improvement Program

Stadium Authority (Fund 4960)

	Prior Fiscal Years	Estimated FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	Total
Beginning Balances		(514,025,844)	29,104,400	0	0	0	0	
Revenue								
Interest/Investment Earnings F4960 ¹	21,427,300	240,000	109,000					21,776,300
Transfer In from Fund 2960	33,320,413							33,320,413
Bond Proceeds	718,679,028							718,679,028
Personal Seat Licenses (PSL) ²		551,101,947						551,101,947
Total Funding Sources	773,426,741	551,341,947	109,000	0	0	0	0	1,324,877,688
Total Resources	773,426,741	37,316,103	29,213,400	0	0	0	0	
Funded Projects:								
Las Vegas Stadium	1,274,235,360	8,211,703	19,000,000					1,301,447,063
Miscellaneous:								
Bond Issuance Costs	1,999,441							1,999,441
Transfers to Stadium Authority Fund 2960			1,650					1,650
Transfers to Debt Reserve Fund 3960	11,217,784		10,211,750					21,429,534
Total Costs	1,287,452,585	8,211,703	29,213,400	0	0	0	0	1,324,877,688
Ending Balances ²	(514,025,844)	29,104,400	0	0	0	0	0	

Operating Impacts

¹ Pursuant to Section 34 of Senate Bill 1, interest earnings in Fund 4960 are transferred to Fund 3960, the Stadium Authority Debt Service fund, until the maximum bond reserve amount is reached. The interest in the column "Prior Fiscal Years" is based on the Stadium Authority's audited financial statement date for FY 2020. The figures in the columns "FY2021" and "FY2022" represent estimated interest earnings. The actual transfer will be based on the audited financial statements for those years.

² After the filing of the FY 2020 Final Budget in June 2019, the stadium project budget was increased due to stronger-than-anticipated personal seat license sales. The new amount for the Stadium PSL is \$551,101,947. Government Accounting Standard Board requirements prohibit recognizing personal seat license revenue until the stadium opens even when the revenue was received in the fiscal year. For this reason, the beginning FY 2021 fund balance shows a negative figure. Recognition of the personal seat license revenue was reflected in the FY 2021 Budget and this negative figure will be eliminated. This matter was discussed with the Department of Taxation prior to the submission of the FY 2021 budget.

Capital Improvement Plan

Clark County Stadium Authority

Overview

Senate Bill 1 (SB1) as approved by the 30th Special Session (2016) of the Nevada Legislature, and signed by the Governor on October 17, 2016, provided for the creation of a stadium Capital Project Fund (4960). The Capital Project Fund was established for the purpose of accounting for the capital expenditures associated with the acquisition, construction, improvement and equipping of a National Football League stadium project utilizing transient lodging tax collections and/or the proceeds received through future bond issuances.

Capital Project Fund (4960): This fund is used for capital expenses associated with building a National Football League stadium. The fund's primary revenue source is the proceeds of long-term debt, \$750 million, that SB1 authorized. The secondary source of revenue is the sale of Personal Seat Licenses which totaled \$551 million. The proceeds of the long-term debt issued, \$750 million, plus bond issuance costs, is the maximum public contribution to this project.

Major Programs and Projects

The project is a 65,000-seat domed stadium that will be the home field of the National Football League's Raiders franchise and the University of Nevada, Las Vegas (UNLV) football team. The project's total estimated cost is approximately \$2 billion, with the Stadium Authority's share being \$750 million in public and \$551 million in personal seat license revenue. Construction began in November 2017 and was substantially completed in July 2020. Upon completion, the stadium and land will become publicly owned by the Clark County Stadium Authority.

Funding Sources: Proceeds from bonds issued and personal seat licenses.

Impact on Operating Budget: Senate Bill 1 requires the stadium operator to fund all aspects of the stadium's operations. As such, the stadium has no impact on the Stadium Authority's operating budget.