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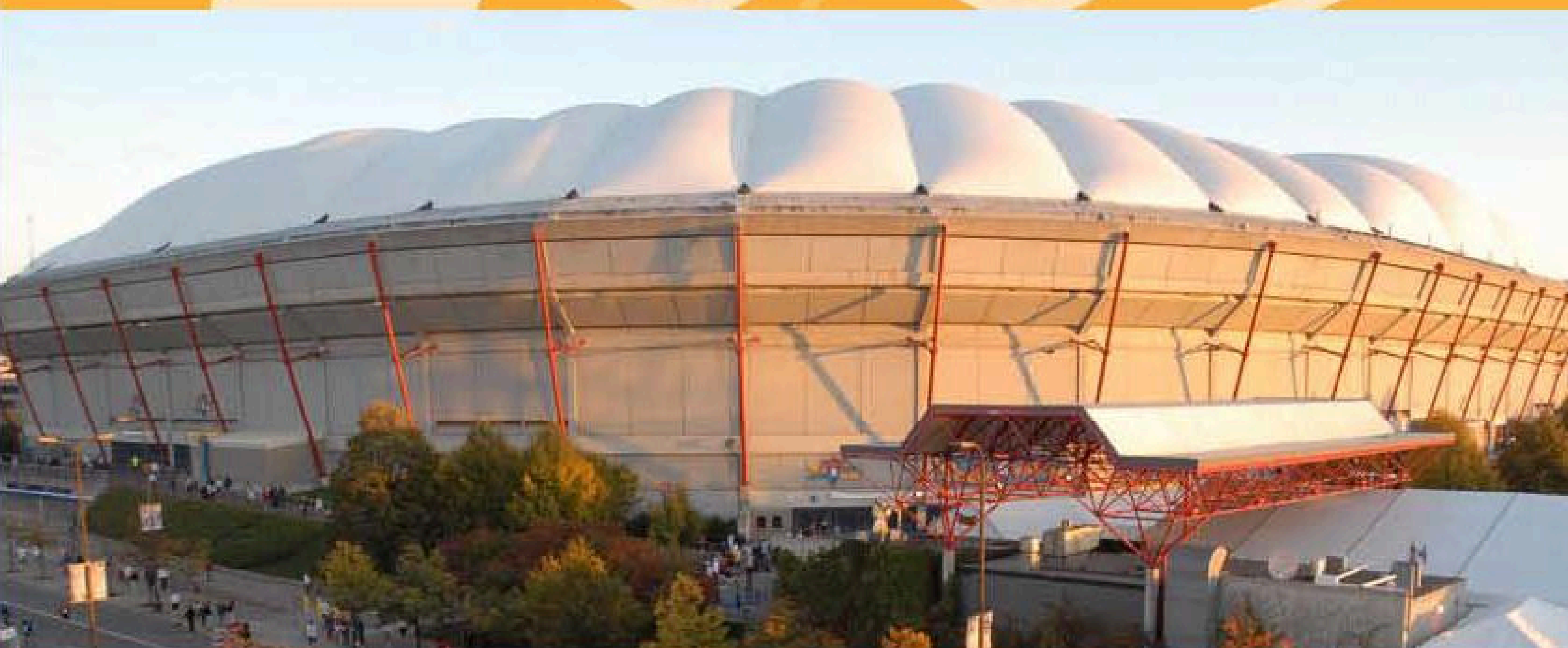
Comprehensive Annual Financial Report

Fiscal year ended December 31, 2009

2009



Metropolitan Sports Facilities Commission

Minneapolis, Minnesota

A Component Unit of the Metropolitan Council of the Twin Cities Area

METRODOME

Metropolitan Sports Facilities Commission
Minneapolis, Minnesota

Comprehensive Annual Financial Report

Fiscal year ended December 31, 2009

A component unit of the Metropolitan Council of the Twin Cities Area

METRODOME

Finance Department
900 South Fifth Street,
Minneapolis, Minnesota 55415

Metropolitan Sports Facilities Commission
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2009

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METRODOME

Introductory Section

The Introductory Section contains the letter of transmittal, which provides an overview of the Metropolitan Sports Facilities Commission's finances, economic prospects, and achievements. Also, included in this section is the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association. It is the highest form of recognition in governmental financial reporting.

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May 7, 2010

Mr. Roy Terwilliger, Chair
And Commissioners of the Metropolitan Sports Facilities Commission
900 South Fifth Street
Minneapolis, Minnesota 55415

Dear Mr. Terwilliger and Commissioners:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Metropolitan Sports Facilities Commission (Commission) for the fiscal year ended December 31, 2009. The financial statements included in this report conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the Commission. All necessary disclosures have been included to enable the reader to gain the maximum understanding of the Commission's financial affairs.

The Commission's management is responsible for establishing and maintaining an internal control structure designed to ensure that its assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable but not absolute, assurance that these objectives are met and that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires estimates and judgments by management. As management we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

Minnesota State Statutes, Chapter 473.595, Subd. 5, require the Minnesota Office of the Legislative Auditor perform an annual audit of the financial statements of the Commission. The goal of the audit is to provide reasonable assurance that the financial statements of the Commission, for the fiscal year ended December 31, 2009, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The Commission received an unqualified opinion from the Minnesota Office of the Legislative Auditor for the twenty-seventh consecutive year. The independent auditor's report on the basic financial statements for the year ended December 31,

HUBERT H. HUMPHREY
METRODOME

METROPOLITAN SPORTS
FACILITIES COMMISSION

AFFIRMATIVE ACTION/
EQUAL OPPORTUNITY EMPLOYER

2009, is included in the financial section of this report. The Minnesota Office of the Legislative Auditor will issue a separate Report on Internal Control over Financial Reporting and Compliance and Other Matters.

The reader is referred to Management's Discussion and Analysis (MD&A) section for additional information regarding the activities and financial position of the Commission. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE COMMISSION

The Commission was established by legislative charter in 1977 and was responsible for the construction of the Hubert H Humphrey Metrodome sports stadium located in Minneapolis, Minnesota. The Commission is the owner and operator of the Metrodome. The Metrodome is "home" to the Minnesota Vikings and many other athletic, civic, cultural, educational, and entertainment activities for the citizens of the Twin Cities metropolitan area and the state of Minnesota.

The Commission's governing body sets policy for the administration of the Commission. The Commission consists of seven members: the Chair is appointed by the governor of Minnesota and the six members are appointed by the Minneapolis City Council. The Chair must reside outside of the City of Minneapolis. Commissioners represent a broad cross-section of the community and serve a four-year term. The Commission appoints the Executive Director who directs the Commission's operations and carries out the policies established by the Commission.

The mission of the Commission is to ensure that the Metrodome is a community facility for the citizens of Minnesota. Central to this mission is the Commission's desire to continuously update the Metrodome and maximize the fan experience Minnesotans have come to expect. Fans come from every corner of the state to experience a variety of events at the Metrodome. Amateur sports teams including small college football, town-team baseball, recreational touch football and high school baseball, softball, football and soccer teams travel from throughout Minnesota to compete on the Metrodome turf.

All of the financial activities of the Commission are included in this report. The Commission is a discretely presented component unit of the Metropolitan Council of the Twin Cities Area (Metropolitan Council). Discretely presented component units are organizations that are legally separate from the primary government.

An annual budget is adopted on a basis consistent with generally accepted accounting principles. The annual budget is prepared in June and the preliminary budget is approved by the Commission in July of each year. A public hearing on the budget is held in August and then in September the annual budget is submitted to the Metropolitan Council for their review and approval. The final budget is approved and adopted by the Commission in November. Quarterly budget to actual comparisons are presented in separate reports to the Commission.

ECONOMIC CONDITION and OUTLOOK

Local Economy

The economic outlook for Minnesota has improved, the two year recession appears over and a slow recovery is expected in Minnesota according to the state's February 2010 Forecast by Minnesota Management & Budget. Real Gross Domestic Product is growing, credit is becoming more available, the stock market is recovering, and consumer spending is growing, although not at pre-recession rates. Minnesota's national macro-economic consultant expects real GDP growth at an annual rate of 2.6 percent in calendar 2010. The outlook for inflation remains unchanged as the consumer price index is expected to increase by 1.7 percent in 2010.

The state forecast predicts that Minnesotans will continue to be stressed by high concentrations of home foreclosures, difficult lending conditions, high debt burdens, depleted wealth and severe unemployment and underemployment in the job market throughout 2010. The forecast predicts that Minnesota has reached the recession's low point for employment in the 1st quarter of 2010. The state's seasonally adjusted unemployment rate of 7.3 percent in January remains below the 9.7 percent national rate. The three industries hit hardest by the recession were: manufacturing, construction and retail trade. Construction is not likely to return to the same employment levels any time soon. Job retraining and job creation are needed for Minnesota's employment to rebound. Minnesota's labor market has started to show modest signs of improvement as the pace of job cuts has slowed. Minnesota's job market will begin to recover late in 2010 as job opportunities improve and discouraged workers begin to re-enter the workforce.

Lending conditions remain tight as the financial crisis continues to place restrictions and pressure on banks' balance sheets. Approximately 1 in 6 Minnesota homeowners owe more on their home than it is worth and foreclosures and short sales represent almost half of all sales in the Twin Cities.

The Twin Cities has the nation's 14th largest metropolitan economy with an estimated population of 2.87 million. It ranks 7th among the nation's 25 largest metropolitan statistical areas in per capita personal income. Per capita personal income for the Twin Cities metropolitan area was $47,863 in 2008, an increase of 2.8 percent from 2007. Eighteen fortune 500 companies are headquartered in the Twin Cities.

Although the economic slowdown had a minimal effect on the Commission's operations, the loss of two major users, Minnesota Twins and the University of Minnesota Gopher football team, will have a dramatic impact on Commission revenues and operations in 2010. On February 1, 2010 the Commission's full-time staffing complement was reduced by 33 percent. Budgeted revenues were reduced by $3.7 million due to the loss of 81 Minnesota Twins baseball games and budgeted expenses were reduced by $3.9 million. A variety of projects will be initiated in 2010 as well as event planning and marketing efforts will be expanded in pursuit of new revenue enhancement opportunities.

Major Initiatives and Accomplishments

The Commission remains hopeful that a stadium solution to keep the Minnesota Vikings in Minnesota beyond 2011 will be found. For the past three years the Commission has worked diligently with the Minnesota Vikings to develop a plan for construction of a new multi-use stadium facility on the current Metrodome site. In December 2009 a new design was unveiled for an environmentally responsible and highly efficient stadium that meets the needs of the Vikings and a variety of other users who require a large capacity climate-controlled facility. Planning efforts will continue into 2010 as the biggest challenge facing the Commission is to find a way to get the stadium financed and built. Commissioners have been meeting with public and private-sector leaders to provide them with the critical research, analysis and studies that have been completed, to keep them informed throughout the legislative session, and to advance development of a financing plan to build a new stadium.

A major rebranding effort was initiated in 2009 to promote the Metrodome as the home of the Minnesota Vikings. Concession stands were remodeled, concession menus were changed, walls and doors were painted purple, and advertising, gate-naming, and field-naming rights were assigned to the Vikings. The purpose of the rebranding effort was to enhance revenue opportunities for the Vikings and to ensure that fans coming to the Metrodome know they have entered Vikings country with a source of pride.

Major capital improvements planned for 2010 include designing and constructing: a new ticket office for the Vikings for an approximate cost of $100,000 and a new hospitality area for the Vikings for an approximate cost of $700,000, and remodeling the existing Vikings ticket office space for an approximate cost of $25,000.

In 2010 the Commission plans to install a new playing field surface at the Metrodome for an approximate cost of $600,000. The existing artificial turf was installed in March 2004 with an expected useful life of eight years. At the request of the Vikings, the Commission agreed to replace the field surface due to safety and playability issues and concerns by the Vikings football players. The playability of a new surface would be improved as the firmness of the existing field varied in some areas due to the change in configuration of the field from football to baseball.

FINANCIAL INFORMATION

Reserve Policy

The Commission established a reserve policy in 2006. The policy established $6 million as the minimum amount of reserves required in the unrestricted net asset account to prudently operate the Metrodome. This amount is approximately one-half of the funds needed to finance expenses during the non-revenue producing months. The reserve policy provides funding for the Commission to deal with major expense items that may need to be replaced including but not limited to such items as the artificial turf or components of the audio or video system. The reserve minimum does not allow for additional capital improvement projects beyond those currently anticipated. This policy is continually reviewed by the Commission.

OTHER INFORMATION

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commission for its CAFR for the fiscal year ended December 31, 2008. This was the sixth consecutive year that the Commission received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. The Certificate of Achievement is a prestigious national award which recognizes conformance with the highest standards for preparation of state and local government financial reports.

This CAFR reflects our commitment to the Commission and all interested readers of this report to provide information in conformance with the highest standards of financial reporting. The preparation of this CAFR was made possible by the dedicated service of Linda Brennan and Carol Olson. They have our sincere appreciation for the contributions they made in the preparation of this report. Appreciation is also expressed to the Commissioners for their cooperation and outstanding assistance in matters pertaining to the financial affairs of the Commission.

Respectfully submitted,

William Lester	Mary C. Fox-Stroman, CPA
Executive Director	Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Metropolitan Sports Facilities Commission

Minnesota

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

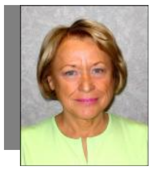
President

Executive Director

Metropolitan Sports Facilities Commission
List of Commissioners and Administrative Officials
December 31, 2009

COMMISSIONERS:

Roy Terwilliger
Chair



Loanne Thrane
Vice Chair

Peggy Lucas
Secretary

Ray Waldron
Treasurer

Charles T. Lutz

Paul Rexford
Thatchter, Sr.

Timothy M. Rose

	Term of Office	
Commissioners	**First Appointed**	**End of Term**
Roy Terwilliger, Chair	March 2003	January 2011
Loanne Thrane, Vice Chair	January 1985	January 2013
Peggy Lucas, Secretary	January 1993	January 2013
Ray Waldron, Treasurer	January 2005	January 2013
Charles T. Lutz	November 2006	January 2011
Timothy M. Rose	January 2007	January 2011
Paul Rexford Thatcher, Sr.	January 2007	January 2011

Executive Director
William Lester

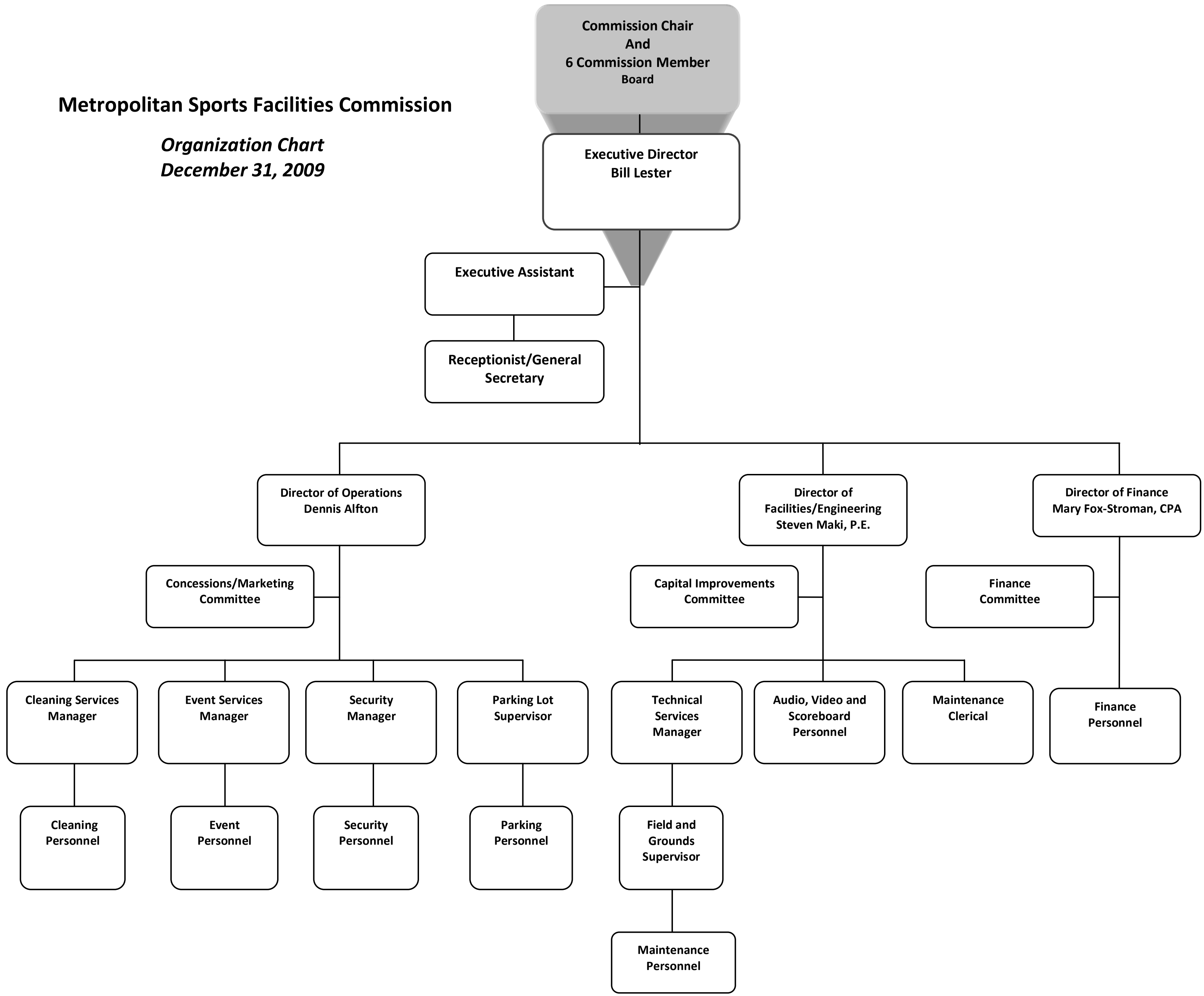
Director of Operations
Dennis Alfton

Director of Facilities/Engineering
Steve Maki, P.E.

Director of Finance
Mary C. Fox-Stroman, CPA

Metropolitan Sports Facilities Commission

Organization Chart
December 31, 2009



Financial Section

The Financial Section includes the independent auditor's report, management's discussion and analysis, and the basic financial statements including the accompanying notes.

Independent Auditor's Report

Senator Ann H. Rest, Chair
Legislative Audit Commission

Members of the Legislative Audit Commission

Mr. Roy Terwilliger, Chair
Metropolitan Sports Facilities Commission

Members of the Metropolitan Sports Facilities Commission

Mr. William Lester, Executive Director
Metropolitan Sports Facilities Commission

We have audited the accompanying basic financial statements of the Metropolitan Sports Facilities Commission, a component unit of the Metropolitan Council, as of and for the year ended December 31, 2009, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Metropolitan Sports Facilities Commission as of December 31, 2009, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Metropolitan Sports Facilities Commission'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results

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E-mail: auditor@state.mn.us • Web Site: www.auditor.leg.state.mn.us • Through Minnesota Relay: 1-800-627-3529 or 7-1-1

of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the Commission's basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purposes of forming an opinion on the Commission's basic financial statements. The Introductory Section and Statistical Section, as listed in the table of contents, are presented for the purposes of additional analysis and are not a required part of the Commission's basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of basic financial statements and, accordingly, we express no opinion on them.

James R. Nobles
Legislative Auditor

Cecile M. Ferkul, CPA, CISA
Deputy Legislative Auditor

May 7, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Metropolitan Sports Facilities Commission (Commission) Comprehensive Annual Financial Report presents this narrative overview and analysis of the Commission's financial performance for the fiscal year ended December 31, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i- v of this report.

Financial Highlights

The basic financial statements report information about the Commission using the economic resources measurement focus and accrual basis of accounting.

- The Commission's total net assets (assets less liabilities) were $27,664,808 at December 31, 2009, net assets decreased by $5,513,799 from the previous year.

- During fiscal year 2009, the Commission's revenues decreased by $225,561, fiscal year 2009 revenues were $51,886,512. The decrease in revenues was primarily due to a decrease in concession sales of $149,691 and a decrease in admission taxes of $280,505 in 2009.

- The Commission's expenses decreased by $772,950 during the year, fiscal year 2009 expenses were $57,400,311. The reduction in expenses was primarily due to decreased concession costs of $297,205, decreased facilities cost credit of $438,509, decreased utility costs of $480,370, and decreased facilities planning, research and public information costs of $379,215. Event costs increased by $590,468 primarily due to hosting the 2009 NCAA Men's Basketball Championship 1st/2nd Rounds at the Metrodome.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The financial section of this comprehensive annual report consists of:

(1) Independent Auditor's Report
(2) Management's Discussion and Analysis (presented here)
(3) Basic (Enterprise fund) Financial Statements:
    a. Statement of net assets
    b. Statement of revenues, expenses, and changes in net assets
    c. Statement of cash flows
(4) Notes to the Financial Statements

The Commission uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The Commission maintains one proprietary fund, an enterprise fund. The enterprise fund financial statements report information about the Commission using accounting methods similar to those used by private-sector businesses in which costs are recovered primarily through user charges. Enterprise fund financial statements provide both short-term and long-term financial information about the Commission's overall financial status. The statements present information on the Commission's assets, liabilities, and net assets, and show how net assets have changed during the year.

Statement of Net Assets

The statement of net assets presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial health of the Commission is improving or deteriorating. Additionally, nonfinancial factors, such as a change in major users or the condition of the Metrodome, should be considered to assess the overall health of the Commission. The statement of net assets can be found on page 11 of this report.

Statement of revenues, expenses and changes in net assets

The statement of revenues, expenses and changes in net assets presents information showing how the Commission's net assets changed during the year. All of the current year's revenues and expenses are accounted for in this statement, regardless of when cash is received or paid. The statement of revenues, expenses and changes in net assets can be found on page 12 of this report.

Statement of cash flows

The statement of cash flows reports cash and cash equivalent activities for the fiscal year as a result of operating, capital and investing activities. The statement of cash flows can be found on page 13 of this report.

Notes to the financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the enterprise fund financial statements. The notes to the financial statements can be found on pages 14 - 23 of this report.

Financial Analysis

Following is a table that presents a summary of the Commission's Statement of Net Assets as of December 31, 2009 and 2008:

Summary of Net Assets as of December 31, 2009 and 2008

	2009	2008
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,283,371	$ 8,599,901
Investments	11,133,614	10,283,080
Receivables:		
Accounts	6,971,089	5,577,498
Accrued interest	70,440	69,958
Prepaid items	282,049	221 910
Total current assets	23,740,563	24,752,347
Noncurrent assets:		
Receivables:		
Accounts	101,500	551,500
Capital assets:		
Land	8,700,000	8,700,000
Building	98,698,960	99,910,032
Equipment	12,262,677	12,069,803
Accumulated depreciation	(107,493,064)	(103,311,905)
Total capital assets (net of accumulated depreciation)	12,168,573	17,367,930
Total noncurrent assets	12,270,073	17,919,430
Total assets	36,010,636	42,671,777
LIABILITIES		
Current liabilities:		
Salaries and benefits payable	560,783	131,572
Accounts payable and other accrued liabilities	7,553,239	8,867,929
Unearned revenue	35,042	223,700
Compensated absences	110,285	141,959
Total current liabilities	8,259,349	9,365,160
Noncurrent liabilities:		
Compensated absences	86,479	128,010
Total liabilities	8,345,828	9,493,170
NET ASSETS		
Invested in capital assets	12,168,573	17,367,930
Unrestricted	15,496,235	15,810,677
Total net assets	$ 27,664,808	$ 33,178,607

The following table summarizes the changes in net assets for the years ended December 31, 2009 and 2008.

Summary of Changes in Net Assets
For the Fiscal Years Ended December 31, 2009 and 2008

	2009	2008
Revenues:		
Concessions	$ 29,428,354	$ 29,578,045
Admission tax	10,146,927	10,427,432
Rent	4,850,967	4,910,284
Charges for services	3,905,486	3,675,595
Advertising	1,965,111	2,042,406
Novelties	57,270	142,674
Parking	126,604	137,470
Other	373,976	470,428
Investment earnings	1,031,817	727,739
Total revenues	51,886,512	52,112,073
Expenses:		
Concession costs	14,566,218	14,863,423
Tenants share of concession receipts	9,828,876	9,814,920
Facilities cost credit	9,443,133	9,881,642
Personal services	4,313,474	3,820,069
Professional services	444,911	408,029
Contractual services	4,730,583	4,923,616
Audio-visual services	287,412	289,305
Travel and meetings	34,553	46,597
Supplies, repairs and maintenance	925,697	977,282
Utilities	3,688,505	4,168,875
Insurance	483,024	457,344
Communications	87,763	98,353
Facilities planning, research and public information	1,352,022	1,731,237
Event costs	1,227,607	637,139
Marketing and advertising	309,837	342,337
Miscellaneous	69,989	198,565
Depreciation	5,592,434	5,511,776
Loss on disposal of capital assets	14,273	2,752
Total expenses	57,400,311	58,173,261
Change in net assets	(5,513,799)	(6,061,188)
Total net assets, January 1	33,178,607	39,239,795
Total net assets, December 31	$ 27,664,808	$ 33,178,607

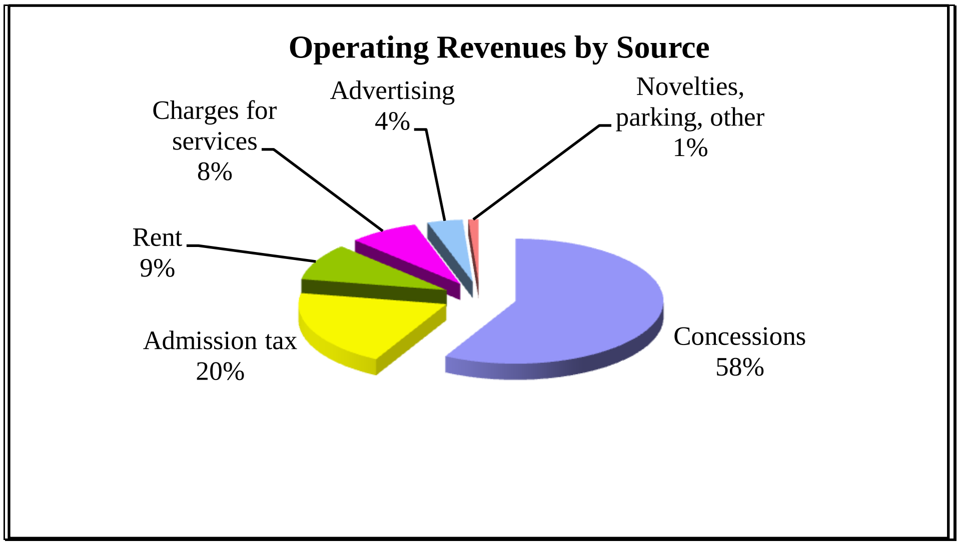
Commission's Activities
As noted earlier, net assets serve as a useful indicator of the Commission's financial position. In fiscal year 2009, the Commission's net assets decreased by $5,513,799 (16.6 percent) to $27,664,808. The Commission's net assets of $12,168,573 (44 percent) reflect its investment in capital assets less accumulated depreciation. These assets are comprised of the Metrodome stadium site, stadium building, and stadium equipment. The Commission uses these capital assets to provide services to users, their fans, and the public; consequently, these assets are not available for future spending. The unrestricted net assets of $15,496,235 (56 percent) are available for future use to meet the Commission's ongoing obligations to users, fans, citizens, and creditors. These assets are reserved for future operating expenses, capital improvements, repair and replacement expenses, and concession related expenses. At the end of the current fiscal year, the Commission is able to report positive balances in both categories of net assets. The same situation held true for the prior fiscal year.

Operating revenues for the Commission were $50,854,695 for fiscal year 2009. Sources of revenue are comprised of concessions, admission tax, rent, charges for services, advertising, novelties, parking, and other revenues. Food and beverage concessions constitute the largest source of revenues and represent 57.9 percent of total operating revenues. A portion of the concessions revenues is paid to the major users and a five percent management fee is paid to the concessionaire who manages and operates the concessions.

Per Minnesota statutes a ten percent admission tax is charged on all Metrodome admission tickets. This tax was designed as a user fee to help defray operating expenses. Rent is based on the terms of the use agreements with the Minnesota Twins, Minnesota Vikings, and various other users. Rent also includes the private suite rent from the Minnesota Vikings. Charges for services include payments from the users and others for event related expenses. The Commission received advertising revenue from the stadium seating area and the outside marquee. Some of the users received advertising revenue from the concourses.

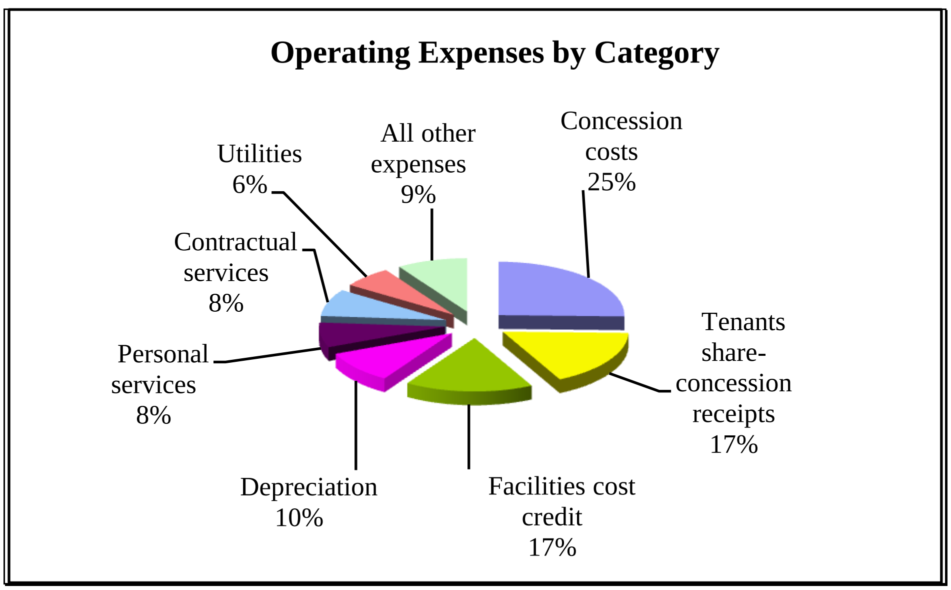
Operating revenues decreased by $529,639 from the previous year primarily due to the departure of the University of Minnesota Gopher football team from the Metrodome at the end of the 2008 season. The decrease in operating revenues is largely comprised of a decrease in concessions revenues of $149,691 and a decrease in admission taxes of $280,505.

Below is a chart of the 2009 operating revenues by source:



The Commission's operating expenses include concessions (operating) costs, tenants share of concession receipts, facilities cost credit, personal services, professional services, contractual services, utilities, supplies, repairs and maintenance, insurance, facilities planning, research and public information, event costs, marketing and advertising, depreciation, and other expenses.

Below is a chart of the 2009 operating expenses by category:



The Commission continually makes improvements to the stadium for the enjoyment of its users and their fans. Regular maintenance, repairs, and upgrades are essential to keep the stadium up to date with current stadium designs. The Commission attempts to keep abreast of changing public needs and expectations to ensure that it fulfills the community's needs for comfort and convenience. Expense variations occurred in a variety of areas. The facilities cost credit decreased by $438,509 due to the departure of the University of Minnesota Gopher football team from the Metrodome at the end of the 2008 season. Utilities decreased by $480,370 due to decreased heating and air conditioning costs. Facilities planning, research and public information decreased by $379,215 due to a reduction in consulting services for the Metrodome Next stadium analysis project. Event costs increased by $590,468 due to the University of Minnesota hosting the 2009 NCAA Men's Basketball Championship 1st/2nd Rounds at the Metrodome in March 2009.

Capital Assets

The Commission's investment in capital assets as of December 31, 2009 was $12,168,573 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and equipment. The following summarizes the Commission's capital assets as of December 31, 2009 and 2008.

Capital Assets
As of December 31, 2009 and 2008

	2009	2008
Capital assets:		
Land	$8,700,000	$8,700,000
Buildings	98,698,960	99,910,032
Equipment	12,262,677	12,069,803
Total capital assets	119,661,637	120,679,835
Less: accumulated depreciation	(107,493,064)	(103,311,905)
Total capital assets, net	$12,168,573	$17,367,930

During fiscal year 2009, the Commission's total capital assets valuation decreased by $1,018,198. Major capital asset events during the current fiscal year included the following:

- Acquisition of video production and marquee equipment at a cost of $214,829.
- Acquisition of a variety of equipment for cleaning services, field maintenance, and first aid at a cost of $95,581.
- Acquisition of wireless hardware for the stadium press boxes at a cost of $13,036.
- Acquisition and/or replacement of a variety of concession equipment at a cost of $122,925.
- Disposition of turnstiles and staging risers at a cost of $1,211,072.

Additional information on the Commission's capital assets can be found in the notes to the financial statements on page 19 of this report.

Economic Factors

The fiscal year 2010 budget includes net revenues of $9,817,532 which is a 27.4 percent decrease from the prior year's budgeted net revenues. Budgeted net revenues were reduced primarily due to the loss of net revenues from the Minnesota Twins and the loss of advertising revenues in 2010. Advertising, gate-naming, and field-naming rights at the Metrodome were assigned to the Minnesota Vikings in October 2009. Assignment of advertising rights enhances the Minnesota Vikings' marketing capabilities and revenue opportunities at the Metrodome. Budgeted net revenues from the Minnesota Vikings games of $7,335,920 represent the majority of budgeted revenues, comprising approximately 74.7 percent of total revenues as compared to approximately 49.3 percent in the prior year's budget. In fiscal year 2010 the admission tax, food and beverage concession prices, rental fees, parking fees, and building use fees remain unchanged.

Budgeted operating expenses for fiscal year 2010 are $10,936,000 which is a 27.5 percent decrease from the fiscal year 2009 level. Budgeted repair, replacements and improvement expenses increased by $650,000 for fiscal year 2010 and concessions replacement and equipment budgeted expenses decreased by $200,000. The expense reductions are being accomplished through various innovative approaches such as department consolidations, contract modifications, and staff reductions to reduce costs while maintaining core stadium services.

Metrodome events planned for 2010 include 10 football games for the Minnesota Vikings and a variety of other scheduled events including high school, college, and amateur sporting events, monster truck events, other sport, recreation, community, corporate, and cultural events.

Requests for Information

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in its financial position and to demonstrate the Commission's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance, Metropolitan Sports Facilities Commission, 900 South Fifth Street, Minneapolis, Minnesota 55415. This report may also be found on the Commission's web site at www.msfc.com.

METROPOLITAN SPORTS FACILITIES COMMISSION **Exhibit A**
STATEMENT OF NET ASSETS
December 31, 2009

ASSETS		
Current assets:		
Cash and cash equivalents	$	5,283,371
Investments		11,133,614
Receivables:		
Accounts		6,971,089
Accrued interest		70,440
Prepaid items		282,049
Total current assets		23,740,563
Noncurrent assets:		
Receivables:		
Accounts		101,500
Capital assets:		
Land		8,700,000
Building		98,698,960
Equipment		12,262,677
Accumulated depreciation		(107,493,064)
Total capital assets (net of accumulated depreciation)		12,168,573
Total noncurrent assets		12,270,073
Total assets		36,010,636
LIABILITIES		
Current liabilities:		
Salaries and benefits payable		560,783
Accounts payable and other accrued liabilities		7,553,239
Unearned revenue		35,042
Compensated absences		110,285
Total current liabilities		8,259,349
Noncurrent liabilities:		
Compensated absences		86,479
Total liabilities		8,345,828
NET ASSETS		
Invested in capital assets		12,168,573
Unrestricted		15,496,235
Total net assets	$	27,664,808

The notes to the financial statements are an integral part of this statement.

METROPOLITAN SPORTS FACILITIES COMMISSION **Exhibit B**
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For the Fiscal Year Ended December 31, 2009

Operating revenues:	
Concessions	$ 29,428,354
Admission tax	10,146,927
Rent	4,850,967
Charges for services	3,905,486
Advertising	1,965,111
Novelties	57,270
Parking	126,604
Other	373,976
Total operating revenues	50,854,695
Operating expenses:	
Concession costs	14,566,218
Tenants share of concession receipts	9,828,876
Facilities cost credit	9,443,133
Personal services	4,313,474
Professional services	444,911
Contractual services	4,730,583
Audio-visual services	287,412
Travel and meetings	34,553
Supplies, repairs and maintenance	925,697
Utilities	3,688,505
Insurance	483,024
Communications	87,763
Facilities planning, research and public information	1,352,022
Event costs	1,227,607
Marketing and advertising	309,837
Miscellaneous	69,989
Depreciation	5,592,434
Total operating expenses	57,386,038
Total operating loss	(6,531,343)
Nonoperating revenues (expenses):	
Investment earnings	1,031,817
Loss on disposal of capital assets	(14,273)
Total nonoperating revenues (expenses)	1,017,544
Change in net assets	(5,513,799)
Total net assets, January 1, 2009	33,178,607
Total net assets, December 31, 2009	$ 27,664,808

The notes to the financial statements are an integral part of this statement.

METROPOLITAN SPORTS FACILITIES COMMISSION
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended December 31, 2009

Exhibit C

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from concessionaire	$ 15,809,204
Cash received from tenants	7,581,976
Cash received from others	2,700,231
Cash payments to concessionaire, vendors and others	(15,139,097)
Cash payments to tenants	(10,084,828)
Cash payments to employees	(3,957,468)
Net cash provided (used) by operating activities	(3,089,982)
CASH FLOWS FROM CAPITAL ACTIVITIES	
Purchase of capital assets	(407,349)
Net cash provided (used) by capital activities	(407,349)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	2,211,315
Purchase of investments	(2,802,823)
Interest received	772,309
Net cash provided (used) by investing activities	180,801
Net increase (decrease) in cash and cash equivalents	(3,316,530)
Cash and cash equivalents, January 1	8,599,901
Cash and cash equivalents, December 31	$ 5,283,371
Reconciliation of operating loss to net cash provided (used) by operating activities:	
Operating loss	$ (6,531,343)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	5,592,434
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	(943,591)
(Increase) decrease in prepaid items	(60,139)
Increase (decrease) in salaries and benefits payable	429,211
Increase (decrease) in accounts payable and other accrued liabilities	(1,314,691)
Increase (decrease) in unearned revenue	(188,658)
Increase (decrease) in compensated absences	(73,205)
Total adjustments	3,441,361
Net cash provided (used) by operating activities	$ (3,089,982)
Noncash investing, capital, and financing activities:	
Increase in fair value of investments	$ 420,679
Capital asset trade-ins	$ 42,600

The notes to the financial statements are an integral part of this statement.

I. Summary of significant accounting policies

A. Reporting entity

The Metropolitan Sports Facilities Commission (Commission) was established under Chapter 89, Minnesota Laws 1977 as amended and currently operates under Minnesota Statutes, Chapter 473. The Commission is composed of seven members, six members are appointed by the Minneapolis City Council and the chair is appointed by the Governor. The commissioners serve four-year terms.

The Commission is responsible for equipping, improving, operating, managing, and maintaining the Hubert H. Humphrey Metrodome, a covered, multi-purpose sports facility (Metrodome). The Metrodome began operations in 1982 and was the home field for two professional sports teams, the Minnesota Twins and the Minnesota Vikings, and the University of Minnesota football team. In addition to professional sports a variety of collegiate and amateur sporting events as well as several cultural, corporate, and community events have been hosted at the Metrodome.

The 2008 football season was the last season the University of Minnesota football team played at the Metrodome. On September 12, 2009 the Team played its first home football game at the new on-campus Gopher football stadium, TCF Bank Stadium. The University has continued to host collegiate baseball and softball events at the Metrodome.

In 2009 the Minnesota Twins played 81 regular season games, a "play in" game, and one post season American League Championship series game at the Metrodome. The 2009 baseball season is the last season that the Minnesota Twins will play in the Metrodome as the Team will open its new ballpark, Target Field, on April 12, 2010. All of the 2010 baseball games will be played at the new ballpark.

The Football Use Agreement dated August 8, 1979 between the Commission and the Minnesota Vikings obligates the Team to play at the Metrodome at least one-half of its regular season football games and all of the Team's other football games scheduled to be played in the metropolitan franchise area during the 2010 and 2011 football seasons. The Team's use of the stadium concludes at the end of the 2011 football season unless the Use Agreement is renewed or a new agreement is executed with the Commission. The Team played one National Football League Divisional playoff game and nine football games at the Metrodome in 2009.

The financial statements of the Commission have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles. The Commission's significant accounting policies are described below.

I. Summary of significant accounting policies (continued)

The Commission is a component unit of the Metropolitan Council of the Twin Cities Area (Metropolitan Council). The Metropolitan Council issued the original debt to finance the Metrodome, refunded the debt in 1992, and then defeased the refunding bonds in 1998. The Metropolitan Council annually approves the Commission's budget.

B. Measurement focus, basis of accounting, and financial statement presentation

The Commission's enterprise fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Commission's enterprise fund are: concession revenues, admission taxes, rent and charges for services. Operating expenses include concession costs, tenants' share of concession receipts, facilities cost credit, building maintenance, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

In preparing the enterprise fund financial statements the Commission elected not to apply the option provided in Paragraph 7 of GASB Statement No. 20 titled "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Activities That Use Proprietary Fund Accounting." Therefore, the Commission has applied only those Financial Accounting Standards Board statements and interpretations issued prior to December 1, 1989, except for those that conflict with or contradict GASB pronouncements.

C. Assets, liabilities, and net assets

1. Cash and investments

The Commission has defined cash and cash equivalents as cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Commission deposits are backed by a combination of Federal Deposit Insurance Corporation (FDIC) and collateral in the form of statutorily approved securities.

The Commission may invest funds as authorized by Minnesota Statutes, Chapter 118A, and the Commission's internal investment policy. Investments include:

I. Summary of significant accounting policies (continued)

(a) Securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as high risk by Minnesota Statutes, Chapter 118A.04, subdivision 6;

(b) Mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments.

Investments are stated at fair value as required by GASB Statement No. 31 titled "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The fair value of the Commission's investments is based on quoted market prices.

2. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

3. Capital assets

Capital assets include land, buildings and equipment. Capital assets are defined by the Commission as assets with an initial, individual cost of $500 or more and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated over their estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Capital Assets	Useful Life
Buildings	9 – 30 years, up to Year 2011
Equipment	3 – 10 years, up to Year 2011

4. Compensated absences

The Commission accrues vacation and sick leave when earned. All full-time employees earn annual vacation leave based on years of service and are allowed to accumulate up to a maximum of 280 hours as of the end of each year. Certain employees qualify for a sick leave severance benefit paid at termination. The pay rate in effect at the end of the year and the employer's share of social security contributions are used to calculate compensated absences accruals at December 31.

5. Unearned revenue

Unearned revenue consists of amounts recognized as assets that have not been earned. These amounts include admission taxes, advertising revenues, and rent.

I. Summary of significant accounting policies (continued)

6. Net assets

Net assets are comprised of two categories: net assets invested in capital assets and unrestricted net assets. The first category reflects the portion of assets that is associated with non-liquid capital assets. Net assets which are neither restricted nor related to capital assets, are reported as unrestricted net assets. The Commission maintains the following unrestricted net asset accounts:

Unrestricted Net Asset Accounts	Balance as of December 31, 2009
Operating account	$9,443,952
Repairs, replacements and improvements account	4,613,253
Concessions reserve account	1,439,030
	$15,496,235

II. Detailed Notes

A. Deposits

Minnesota Statutes, Chapter 118A, require that all Commission deposits in excess of available federal deposit insurance be protected by corporate surety bonds or collateral pledged to the Commission. The statute further requires the total amount of collateral computed at its fair market value shall be at least ten percent more than the amount on deposit at the close of the business day. At December 31, 2009, the carrying amount of the Commission's combined bank accounts was $5,077,156. Bank balances were $5,539,098 of which $250,000 was covered by federal depository insurance and the remaining $5,289,098 was collateralized with securities held by the Federal Reserve Bank in the Commission's name. The differences between carrying value and bank balance generally result from checks outstanding and deposits in transit at December 31, 2009.

B. Investments

The Commission's investment policy addresses certain risks to which it is currently exposed as follows:

Interest rate risk. In accordance with its investment policy the Commission manages its exposure to declines in fair value. To meet short-term cash flow needs, the Commission's investment portfolio will remain sufficiently liquid to enable the Commission to meet anticipated cash requirements without the occurrence of significant investment losses. To meet long-term needs, the average duration of the investment portfolio should match the average duration of liabilities subject to regulatory requirements.

II. Detailed notes (continued)

Credit risk. Minnesota Statutes, Chapter 118A, limits investment instruments purchased by the Commission. It is the Commission's policy not to invest in interest-only securities, principal-only securities, collateralized mortgage obligations residual tranches, guaranteed investment contracts, interest rate swaps, options, futures or forward contracts, and foreign securities or foreign exchange contracts. The Commission's investment policy limits investments to the highest rating issued by at least two nationally recognized statistical rating organizations. In the case of commercial paper, "A-1" or "P-1" ratings are acceptable.

Concentration of credit risk. The Commission's investment policy, which specifically limits investments to no more than 10% of the account's holding, may be in a single commercial paper issued at the time of purchase.

Custodial credit risk. The custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Commission will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counter party to a transaction, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. According to the Commission's investment policy, all securities are to be held by a third party safekeeping agent appointed as custodian.
The Commission has no foreign currency exposure.

Following is a summary of the fair values of securities at December 31, 2009:

Security Type	Credit Risk	Custodial Credit Risk	Par	Fair Value	% of Total Portfolio
U.S. Agency Securities:					
Federal National Mortgage Assn.	Aaa	Custody (a)	$ 4,430,471	$ 4,972,050	30.3 %
Federal Home Loan Mtg. Corp.	Aaa	Custody (a)	$ 3,845,963	$ 4,311,747	26.3 %
Government National Mortgage Assn.	Aaa	Custody (a)	$ 1,661,803	$ 1,849,817	11.3 %
Money Market Funds	(b)	(c)	$ 4,205,885	$ 4,205,885	25.6 %
Cash for operations	n.a.	(c)	$ 1,077,036	$ 1,077,036	6.5 %
Petty cash	n.a.	Commission held	$ 450	$ 450	0.0%
Total cash and investments			$15,221,608	$16,416,985	100.0%

(a) Securities held in custody/escrow are in the Commission's name
(b) $205,765 invested in Aaa money market fund and $4,000,120 invested in U.S. Bank money market account.
(c) Individual bank balances less than or equal to $250,000 are FDIC insured. Individual balances greater than $250,000 are collateralized, with securities held by the Federal Reserve Bank in the Commission's name.

II. Detailed notes (continued)

The Commission has adopted a simulation model of reporting its investments and their sensitivity to fluctuation in interest rates to comply with GASB Statement No. 40. As presented, assumptions are made of interest rate changes of 50, 100, 150, and 200 basis points; it also assumes that interest rate changes occur on December 31, 2009. The investment portfolio has an average yield of 4.67%, modified duration of 2.31 years, effective duration of 1.79 years and convexity of -0.18 as of December 31, 2009.

	Estimated Fair Value, Parallel Shift of Yield Curve			
Security Type	**+ 50 Basis Pts**	**+100 Basis Pts**	**+150 Basis Pts**	**+200 Basis Pts**
U.S. Agency Securities:				
Federal National Mortgage Association	$4,915,434	$4,876,110	$4,834,663	$4,786,317
Federal Home Loan Mortgage Corporation	4,241,416	4,207,485	4,171,721	4,130,004
Government National Mortgage Assoc.	1,826,065	1,811,457	1,796,059	1,778,099
Money Market Funds	4,205,885	4,205,885	4,205,885	4,205,885
Cash for operations	1,077,036	1,077,036	1,077,036	1,077,036
Petty cash	450	450	450	450
Total cash and investments	$16,266,286	$16,178,423	$16.085.814	$15,977,791

C. Capital assets

Capital asset activity for the year ended December 31, 2009 was as follows:

	Balance January 1	Increases	Decreases	Balance December 31
Capital assets, not being depreciated:				
Land	$ 8,700,000	$ -	$ -	$ 8,700,000
Capital assets, being depreciated:				
Buildings	99,910,032	-	(1,211,072)	98,698,960
Equipment	12,069,803	454,412	(261,538)	12,262,677
Total capital assets, being depreciated	111,979,835	454,412	(1,472,610)	110,961,637
Less: accumulated depreciation for:				
Buildings	(93,629,579)	(4,365,342)	1,207,761	(96,787,160)
Equipment	(9,682,326)	(1,227,092)	203,514	(10,705,904)
Total accumulated depreciation	(103,311,905)	(5,592,434)	1,411,275	(107,493,064)
Total capital assets, being depreciated, net	8,667,930	(5,138,022)	(61,335)	3,468,573
Total capital assets, net	$ 17,367,930	$(5,138,022)	$ (61,335)	$ 12,168,573

II. Detailed notes (continued)

D. Expenses – Facilities Cost Credit

The Commission created the facilities cost credit in 1998 to assist the Minnesota Twins, the Minnesota Vikings and the University of Minnesota Gophers with enhancing team revenues and/or reducing event day cost of operations in the Metrodome. In 2009 the Commission issued a payment to the Minnesota Twins that is equal to the admissions tax paid by the team for their events in the Metrodome. At the request of the Minnesota Vikings, the Commission waived the required rent payment in lieu of the facilities cost credit. Although the facilities cost credit may not exceed admission tax amounts for each team's events, the tax is not waived or pledged to the teams.

Facilities cost credit was:

Team	2009
Minnesota Twins	$5,397,344
Minnesota Vikings	4,045,789
	$9,443,133

E. Defeasance of debt

In March 1998, the Commission entered into an agreement with the Metropolitan Airports Commission for the sale of the Met Center property. The Indenture of Trust dated August 1, 1992, between the Metropolitan Council (issuer of bonds) and the Trustee for the Sports Facilities Revenue Refunding Bonds Series 1992 (Metrodome Refunding Bonds), restricted the proceeds from the sale of the Met Center property to debt service application or retirement of the bonds. On March 11, 1998, the Metropolitan Council, at the request of the Commission, entered into an Escrow Agreement to defease the outstanding Metrodome Refunding bonds. The proceeds from the sale of the Met Center property and funds on hand of the Commission were placed in an irrevocable escrow fund to provide for all future debt service payments on the bonds. As of December 31, 2009 all of the bonds have been redeemed.

F. Changes in long-term liabilities

Long-term compensated absences activity for the year ended December 31, 2009, was:

Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
$269,969	$158,094	$231,299	$196,764	$110,285

III. Other information

A. Retirement plans

Commission employees are covered by one of two Minnesota State Retirement System (MSRS) retirement plans.

General Employees Plan (GEP) Description
The MSRS-GEP is a cost-sharing multiple employer defined benefit public employee retirement plan. All full-time and certain part-time employees of the Commission are covered by this plan. The plan is administered by MSRS. MSRS provides retirement benefits, disability benefits to members, and benefits to survivors upon the death of eligible members. Minnesota Statutes, Chapter 352, establishes MSRS and the plan benefit provisions.

MSRS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to Minnesota State Retirement System, 60 Empire Drive, Suite 300, St. Paul, Minnesota 55103-3000 or by calling (651) 296-2761.

Funding Policy
Minnesota Statutes, Chapter 352, sets the rate for employee and employer contributions. Contributions are made to the fund by the employees and the employer, based on a percentage of gross salary/wage. For the period from January 1, 2009 through June 30, 2009, the total required contribution rate was 9.0%, and the employee and the employer each contributed 4.5%. For the period from July 1, 2009 through December 31, 2009, the total required contribution rate was 9.5%, and the employee and the employer each contributed 4.75%.

Employer contributions to MSRS-GEP, which equaled the required contribution for each year were:

Year	Contributions
2007	$90,992
2008	98,399
2009	113,766

Unclassified Employees Plan (UEP) Description
The MSRS-UEP is a multiple employer defined contribution public employee retirement plan. Only the chair of the Commission is covered by this plan. The plan is authorized by Minnesota Statutes, Chapter 352D, and is considered a money purchase plan, i.e., members vest only to the extent of the value of their accounts (contributions plus earnings less administrative expenses). Retirement and disability benefits are available through conversion, at the member’s option to the General Employees Plan provided minimum service requirements are met.

III. Other information (continued)

Funding Policy

Minnesota Statutes, Chapter 352D, sets the rate for employee and employer contributions and may be amended by the State of Minnesota. Contributions are made to the fund by the employee and the employer, based on a percentage of gross salary/wage. The total required contribution rate was ten percent, the employee has a required contribution rate of four percent and the employer has a required contribution rate of six percent.

Employer contributions to MSRS-UEP which equaled the required contribution for each year were:

Year	Contributions
2007	$3,357
2008	3,733
2009	4,024

B. Risk management

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; work related injuries; and natural disasters. The Commission purchased all-risk property insurance, terrorism insurance, general and umbrella liability insurance, automobile insurance, crime insurance, workers compensation insurance, and public officials and employee liability insurance. There have been no significant reductions in insurance coverage from the prior year. Within the past three fiscal years, no settled claims have exceeded commercial coverage.

C. Operating leases

The Commission leases office space and two storage facilities for operational purposes. The office space lease period began on November 1, 2005 and continues on a month-to-month basis with a 30-day cancellation notice, lease expenses were $6,000 in 2009. One storage facility is used to store the plywood which covers the stadium's artificial playing surface during certain events. This lease has continued on an annual basis, lease expenses were $24,000 in 2009. The other storage facility is used to store the Teams' various sporting materials and equipment items. This lease expires on October 31, 2013, and lease expenses were $21,577 in 2009.

III. Other information (continued)

D. Subsequent event

On February 9, 2010, the Commission's liability insurance carrier settled a copyright infringement lawsuit that was filed against the Commission in 2008. The settlement did not exceed the liability policy's coverage limit.

E. Implementation of new accounting pronouncement

In Fiscal Year 2009 the Commission implemented GASB Statement No. 47 titled "Accounting for Termination Benefits." This statement provides guidance for measuring, recognizing, and reporting liabilities and expenses related to termination benefits, including involuntary termination benefits.

In May 2009 the Commission developed a plan of involuntary termination and amended its personnel policy to enhance the benefits for employees who will be permanently laid off. The plan provides a severance payment to certain employees at termination. Full-time employees who are involuntarily terminated will receive a severance payment at termination that includes: 26 weeks of pay at the employee's current salary or wage rate, 50% of their unused vacation leave benefits, and 100% of their unused holiday leave benefits. Also at termination the Commission will contribute 50% of the employee's unused vacation and sick leave benefits and an amount equivalent to six months of single medical and dental insurance premium, based on the Met Council's benefit plan, to the employee's health care saving plan account.

Represented employees who are involuntarily terminated will receive a severance payment at termination that includes: 26 weeks of pay at the employee's current wage rate, 100% of unused vacation leave benefits, and 50% of unused sick leave benefits. At termination the Commission will contribute an amount equivalent to six months of single medical and dental insurance premium to the represented employee's health care savings plan account.

Permanent part-time employees who are permanently laid off and worked a minimum of 1040 hours in the previous twelve month period will receive a lump sum payment of $5,000 at termination.

In July 2009 the involuntary termination plan was communicated to employees. On February 1, 2010 ten full-time employees and two part-time employees were laid off. A liability and expense for termination benefits of $497,628 was recognized in the financial statements for the period ending December 31, 2009.

METRODOME

Statistical Section

The Statistical Section provides financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, including the accompanying notes.

LIST OF STATISTICAL TABLES

1.0 FINANCIAL TRENDS

This information is intended to assist users in understanding and assessing how the Commission's financial position has changed over time. There are two tables presented in this section.

2.0 REVENUE CAPACITY

This information is intended to assist users in understanding and assessing the factors affecting the Commission's ability to generate its own-source revenues. Only one table is presented in this section.

3.0 DEMOGRAPHIC AND ECONOMIC INFORMATION

This information is intended to assist users in understanding the socioeconomic environment within which the Commission operates and to provide information that facilitates comparisons of financial statement information over time. There are two tables presented in this section.

4.0 OPERATING INFORMATION

This information is intended to provide contextual information about the Commission's operations and resources to assist readers in using financial statement information to understand and assess the Commission's economic condition. There are three tables presented in this section.

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 1.1**

Net Assets by Component

Last Nine Fiscal Years (1)

	Fiscal Year								
	2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Invested in capital assets	$ 42,521,132	$ 38,097,612	$ 36,836,054	$ 34,284,166	$ 30,776,055	$ 27,315,887	$ 22,610,134	$17,367,930	$12,168,573
Unrestricted	19,303,368	19,802,113	18,943,699	18,619,516	17,600,392	17,182,287	16,629,661	15,810,677	15,496,235
Total net assets	$ 61,824,500	$ 57,899,725	$ 55,779,753	$ 52,903,682	$ 48,376,447	$ 44,498,174	$ 39,239,795	$33,178,607	$27,664,808

Unaudited

Source: Commission Finance department

1) GASB Statement No. 34 requires the presentation of net assets. This statement was implemented in fiscal year 2001; therefore, there are only nine years of data presented in this table.

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 1.2**

Changes in Net Assets

Last Nine Fiscal Years (1)

	Fiscal Year								
	2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Operating revenues:									
Concessions	$19,374,144	$22,280,961	$22,435,339	$22,529,617	$22,172,245	$28,088,303	$26,958,049	$29,578,045	$29,428,354
Admission tax	6,724,513	6,911,756	7,594,055	7,633,567	7,547,144	9,849,355	9,909,700	10,427,432	10,146,927
Rent	4,633,947	4,609,338	4,734,140	4,854,723	4,465,850	4,815,812	4,730,819	4,910,284	4,850,967
Charges for services	2,625,238	3,278,386	3,249,702	3,120,076	3,146,331	3,460,371	3,600,963	3,675,595	3,905,486
Advertising	1,604,761	1,573,914	2,162,562	1,852,312	2,396,461	2,261,410	2,094,291	2,042,406	1,965,111
Novelties	262,451	152,015	142,069	211,311	156,625	183,620	175,334	142,674	57,270
Parking	146,015	143,620	145,379	141,625	144,630	143,420	141,034	137,470	126,604
Other	545,807	395,106	293,857	444,136	347,528	766,550	507,703	470,428	373,976
Total operating revenues	$35,916,876	$39,345,096	$40,757,103	$40,787,367	$40,376,814	$49,568,841	$48,117,893	$51,384,334	$50,854,695
Operating expenses:									
Concession costs	$10,218,405	$11,744,361	$11,841,615	$12,019,363	$12,276,504	$14,354,882	$14,216,818	$14,863,423	$14,566,218
Tenants share of concession receipts	4,978,809	6,584,452	6,293,697	6,481,646	6,572,428	9,241,833	8,810,658	9,814,920	9,828,876
Facilities cost credit	5,406,589	6,340,575	6,576,380	7,089,684	7,116,138	9,099,860	9,315,577	9,881,642	9,443,133
Personal services	3,114,633	3,138,774	3,169,272	3,370,186	3,453,431	3,639,189	3,724,557	3,820,069	4,313,474
Professional services	326,949	607,907	639,046	523,768	474,359	412,441	307,839	408,029	444,911
Contractual services	3,782,745	3,835,488	3,657,299	3,578,312	3,965,868	4,334,432	4,705,832	4,923,616	4,730,583
Audio-visual services	444,512	364,762	292,588	266,218	234,594	362,744	346,100	289,305	287,412
Travel and meetings	38,786	51,757	64,501	41,325	44,238	42,202	41,722	46,597	34,553
Supplies, repairs and maintenance	677,490	893,431	710,888	759,200	1,113,391	760,270	886,210	977,282	925,697
Utilities	2,332,833	2,536,115	2,339,391	2,863,101	3,237,338	3,526,626	3,729,779	4,168,875	3,688,505
Insurance	293,153	412,099	610,687	559,440	539,870	481,715	551,483	457,344	483,024
Communications	156,880	76,288	94,144	80,670	75,092	87,055	93,603	98,353	87,763
Facilities planning, research & public information	1,159,501	1,239,874	184,562	100,722	4,865	390,158	1,082,666	1,731,237	1,352,022
Event costs	1,462,894	402,087	1,135,068	575,615	472,767	1,207,994	548,187	637,139	1,227,607
Marketing and advertising	-	336,569	241,479	418,810	484,334	446,771	364,589	342,337	309,837
Miscellaneous	1,015,804	328,511	232,401	143,368	163,011	205,557	218,059	198,565	69,989
Depreciation	5,279,780	5,038,725	5,090,179	5,208,418	5,198,157	5,405,818	5,491,175	5,511,776	5,592,434
Total operating expenses	$40,689,763	$43,931,775	$43,173,197	$44,079,846	$45,426,385	$53,999,547	$54,434,854	$58,170,509	$57,386,038
Total operating loss	$ (4,772,887)	$ (4,586,679)	$ (2,416,094)	$ (3,292,479)	$ (5,049,571)	$ (4,430,706)	$ (6,316,961)	$ (6,786,175)	$ (6,531,343)
Nonoperating revenues (expenses):									
Investment earnings	$ 1,102,940	$ 658,149	$ 323,528	$ 431,592	$ 523,089	$ 808,403	$ 1,071,484	$ 727,739	$ 1,031,817
Gain/(loss) on disposal of capital assets	(3,684,524)	3,755	(30,406)	(15,184)	(753)	(255,970)	(12,902)	(2,752)	(14,273)
Total nonoperating revenues (expenses)	$ (2,581,584)	$ 661,904	$ 293,122	$ 416,408	$ 522,336	$ 552,433	$ 1,058,582	$ 724,987	$ 1,017,544
Capital contributions	$ -	$ -	$ 3,000	$ -	$ -	$ -	$ -	$ -	$ -
Change in net assets	$ (7,354,471)	$ (3,924,775)	$ (2,119,972)	$ (2,876,071)	$ (4,527,235)	$ (3,878,273)	$ (5,258,379)	$ (6,061,188)	$ (5,513,799)

Unaudited

Source: Commission Finance department

1) GASB Statement No. 34 requires the presentation of net assets. This statement was implemented in fiscal year 2001; therefore, there are only nine years of data presented in this table.

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 2.1**
User Fee Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Concessions (1)	Admission Tax (2)	Rent (3)	Charges for Services	Advertising	Parking	Novelties and Other
2000	14,315,621	5,426,903	4,707,790	*	1,019,036	149,611	883,737
2001	19,374,144	6,724,513	4,633,947	$ 2,625,238	1,604,761	146,015	808,258
2002	22,280,961	6,911,756	4,609,338	3,278,386	1,573,914	143,620	547,121
2003	22,435,339	7,594,055	4,734,140	3,249,702	2,162,562	145,379	435,926
2004	22,529,617	7,633,567	4,854,723	3,120,076	1,852,312	141,625	655,447
2005	22,172,245	7,547,144	4,465,850	3,146,331	2,396,461	144,630	504,153
2006	28,088,303	9,849,355	4,815,812	3,460,371	2,261,410	143,420	950,170
2007	26,958,049	9,909,700	4,730,819	3,600,963	2,094,291	141,034	683,037
2008	29,578,045	10,427,432	4,910,284	3,675,595	2,042,406	137,470	613,102
2009	29,428,354	10,146,927	4,850,967	3,905,486	1,965,111	126,604	431,246

* Charges for services revenue information was not available for this year.

Unaudited

Source: Commission Finance department

1) Various prices are charged for food and beverage concessions.
2) A 10% admission tax is assessed on all ticket sales for Metrodome events.
3) A 9.5% rental fee is assessed on Minnesota Vikings ticket sales and a $400 hourly rental fee is charged for nonmajor Metrodome users.

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 3.1**

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (In Millions) (1)	Per Capita Income (1)	Unemployment Rate (2)
2000	2,642,056	109,818	36,840	2.6%
2001	2,674,927	113,012	37,407	3.1%
2002	2,708,916	115,607	37,787	4.1%
2003	2,740,985	119,741	38,836	4.6%
2004	2,771,030	127,365	40,915	4.5%
2005	2,810,179	132,708	42,377	3.8%
2006	2,821,779	140,158	44,295	3.8%
2007	2,849,003	149,496	46,752	4.3%
2008	2,870,250	154,282	47,653	5.2%
2009	2,870,250	154,282	47,653	7.8%

Unaudited

Sources:
1) Metropolitan Council Comprehensive Annual Financial Report - U.S. Commerce Department, Bureau of Economic Analysis for the Minneapolis-St. Paul Metropolitan Statistical Area (1998-2002). Other years updated by Metropolitan Council.
2) Metropolitan Council Comprehensive Annual Financial Report - State of Minnesota, Department of Employment and Economic Development (seven county area).

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 3.2**

Principal Employers in Minnesota

Current Year and Nine Years Ago

	Number of Minnesota Only Employees in thousands (except percentage)					
	2009			**2000**		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
State of Minnesota	54	1	3.16%	53	1	3.11%
Mayo Foundation	37	2	2.16	33	4	1.93
United States Federal Government	33	3	1.93	35	3	2.05
Target Corp.	29	4	1.69	35	2	2.05
Allina Health System	24	5	1.40	23	6	1.35
Fairview Health Services	22	6	1.29	18	8	1.06
Wells Fargo Minnesota	21	7	1.23	14	10	0.82
Wal-Mart Stores Inc.	20	8	1.17	-	-	-
University of Minnesota	20	9	1.17	32	5	1.88
3M Co.	15	10	0.88	18	9	1.06
Northwest Airlines Inc.				21	7	1.23
Total	275		16.08%	282		16.54%

Unaudited

Source: Metropolitan Council Comprehensive Annual Financial Report-Business Journal, Book of Lists, December 25, 2009 and December 22, 2000.

Note: Available list covers employment for entire State of Minnesota.

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 4.1**
Full-Time Employees by Department
Last Eight Fiscal Years (1)

Fiscal Year	Administrative	Cleaning Services	Building Maintenance	Security	Video Production	Total
2002	9	2	17	4	2	34
2003	9	2	17	4	2	34
2004	9	2	17	5	2	35
2005	9	2	17	3	2	33
2006	9	2	17	5	1	34
2007	9	2	17	5	1	34
2008	8	2	17	5	1	33
2009	8	2	16	5	1	32

Unaudited

Source: Commission Finance department

1) Full-time employee information was available only for years 2002-present.

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 4.2**
Stadium Event Attendance
Last Ten Fiscal Years

Fiscal Year	Metrodome Attendance
2000	2,641,182
2001	3,249,257
2002	3,516,570
2003	3,442,469
2004	3,277,984
2005	3,064,640
2006	3,686,602
2007	3,404,350
2008	3,562,244
2009	3,386,613

Unaudited

Source: Commission Finance department

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 4.3**
Metrodome Amenities

December 31, 2009

Date of Establishment	1977
Number of primary users	1
Number of employees	
Full-time	32
Seating capacity	64,100
Number of private suites	100
Site size (acres)	20
Number of concession stands	
Upper level	17
Lower level	14
Plaza	1
Restrooms	32
Concourse width	
Upper level and lower level	20 feet
Playing field in relation to street level	47 feet below
Playing surface	Artificial turf
Playing field size	141,515 sq. feet
Roof	
Type	Fixed-supported by air
Surface	Teflon-coated fiberglass roof with inner fiberglass liner
Height above playing field	195 feet
Total dome area	415,000 sq. feet (9.5 acres)

Unaudited

Source: Commission Finance department

METRODOME

Hubert H. Humphrey Metrodome

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