DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

(Component Unit of the State of Colorado)

FINANCIAL STATEMENTS

DECEMBER 31, 2014

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Independent Auditors' Report

The Board of Directors
Denver Metropolitan Major League Baseball Stadium District
The Legislative Audit Committee
The State Auditor of the State of Colorado
Denver, Colorado

Report On The Financial Statements

We have audited the accompanying financial statements of the Denver Metropolitan Major League Baseball Stadium District (the District) (a component unit of the State of Colorado) as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2014 and 2013 and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through iv be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 auditing standards generally accepted in the United States of America, 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison information on page 15 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

RubinBrown LLP

May 9, 2015

Management's Discussion and Analysis
For the Years Ended December 31, 2014 and 2013

Our discussion of the District's financial performance provides an overview of our activities for 2014 and 2013, with a comparison to the prior year in each case and certain other background information. Please read it in conjunction with the District's financial statements, which begin on page three.

FINANCIAL HIGHLIGHTS

In December 2010, The District transferred approximately 5.7 acres of District land to the Regional Transportation District (RTD), under threat of condemnation, for construction of a light rail line as well as two permanent easements covering approximately 3.2 acres. The transfer was done to accommodate RTD's need for immediate possession to begin work on the project. A final settlement was reached with RTD in 2013. See Note 3 to the financial statements for further information on the final settlement agreement. The Delgany Street property was subject to a lease that expired in April 30, 2014 and is ultimately expected to provide additional parking for Coors Field.

Operating revenue from lease of the ballpark to the Colorado Rockies Baseball Club (CRBC) increased $119,480 (9.95%) overall in 2014. Parking share gross revenue increased $122,727. Attendance rent remained consistent with prior periods, due to attendance figures not exceeding baseline figures.

The District's net position decreased $1.386 million in 2014 as a result of depreciation expense being in excess of net operating and non-operating revenues.

The District's net position increased $20.7 million in 2013 mainly due to the final settlement with RTD for the land replacement, in which the District's total compensation was $24.72 million. The District is required to use the proceeds to find suitable replacement parking in accordance with the lease agreement with the CRBC.

The CRBC pays the expense related to repair, maintenance and use of the Stadium (including property taxes) on a year-round basis. In addition, CRBC made specified lease payments of $949,029 and $889,119 into an escrow repairs fund for both 2014 and 2013. This fund had accumulated approximately $245,132 and $1,883,443 as of December 31, 2014 and 2013 after having paid out $2,553,295 in 2014 and $1,049,502 in 2013 for repairs, replacements and improvements in those years. This fund is owned by the CRBC.

Improvement/replacements paid for by the CRBC and completed in 2014 include seat replacement, sound system upgrades, and the signage upgrade, HVAC upgrades, elevator repairs and other smaller items. Improvement/replacements paid for by the CRBC and completed in 2013 include field upgrades, carpet, tile, joint expansion, field lighting, video coaching cameras, HVAC upgrades, and other smaller items. Expenditures that add value to or replace/improve District owned assets are recognized as such in the District's financial statements. Accordingly, assets totaling $2,313,129 and $735,636 were capitalized in 2014 and 2013, respectively.

Use of this report

This report comprises three financial statements:

(1) The Statements of Net Position measures the District's financial condition at year-end. It represents the difference between the District's assets and liabilities. Net position is displayed in three components: Cost of the stadium and related property less accumulated depreciation and related debt is included in *Net Investment in Capital Assets.* When constraints are imposed externally by laws, other governments, or creditors on net position they are reported as *Restricted. Unrestricted* net position represents that portion of net position that can be used to finance daily operations without constraints established by laws, enabling legislation or other legal requirements. The District currently considers its unrestricted net position as unavailable for refund to local governments as a result of the obligation to acquire additional parking spaces as a result of RTD's acquisition of the District's prime parking spaces.

(2) Increases or decreases to net position are presented in the Statement of Revenues, Expenses and Changes in Net Position.

(3) The Statement of Cash Flows portrays the source, uses and net change in our cash and cash equivalents. Cash flows are segregated by three major elements--operating, capital and related financing and investing activities.

Condensed comparative financial statement information (in thousands):

	For The Years Ended December 31,		
	2014	2013	2012
Operating Revenue from Coors Field	$ **1,321**	$ 1,201	$ 1,065
Nonoperating Revenues (Expenses)			
Noncash lease income	**2,313**	736	598
Gain on RTD land replacement	—	22,335	—
RTD oversight fund amortization	—	—	361
Net lease rentals Delgany Street	**39**	133	117
Interest income	**17**	763	42
Loss on the disposal of fixed assets	**(147)**	—	—
Total Revenue	**3,543**	25,168	2,183
Operating Expense	**4,929**	4,465	4,406
(Decrease) Increase In Net Position	$ **(1,386)**	$ 20,703	$ (2,223)

For 2014, non-cash revenues increased by $1,577 or 214% as a result of increased capital replacements of Stadium property paid for by the lessee (CRBC). Net lease rentals decreased $94 or 71% due to the lease expiring in early 2014. A loss on disposal of equipment was recorded for $147 in 2014 for the disposal of stadium seats which were not fully depreciated.

Operating expenses in 2014 increased $464 or 10%, which related primarily to the increase in depreciation expense for the year.

In 2013, total revenues increased by $22,985 or 1053%. The majority of the increase is due to the recognizing of income due to the settlement with RTD related to the land taking. There was also an increase in parking revenue from the CRBC.

Total expenses increased by $59 or 1% for 2013. The increase in expenses related primarily to consulting fees and increased depreciation expense.

Condensed Statements of Net Position (in thousands):

	2014	2013	2012
Current assets	**$ 9,648**	$ 19,666	$ 18,197
Capital assets	**149,507**	140,849	136,318
Deferred costs	**271**	297	326
Total Assets	**159,676**	160,812	154,841
Current liabilities	**—**	—	14,732
Security deposit	**12**	12	12
Total Liabilities	**12**	12	14,744
Net investment in capital assets	**149,507**	140,849	135,976
Restricted	**7,671**	17,653	990
Unrestricted	**2,236**	2,298	3,131
Total Net Position	**$ 159,414**	$ 160,800	$ 140,097

For 2014, current assets decreased by $10,268 from expending restricted monies to construct the parking garage which was completed in 2014.

For 2013, current assets increased by $1,469 from, (i) the funds received in the final settlement from RTD, and (ii) an increase in the parking lot receivable of $52.

The net total liabilities remained similar to the prior period for 2014 as the security deposit on the Delgany property had not been refunded as of year end.

The net decrease in total liabilities in 2013 of $14,732 comprises: (i) regularly scheduled loan payment of $321 and (ii) recognition of the deferred revenue associated with the RTD land replacement of $14,401.

All other changes in capital and other assets in 2014 and 2013 resulted from capital additions, primarily from the replacement parking garage, as well as depreciation and amortization. Restricted net position fluctuates based upon compliance with the TABOR Amendment. For additional information, see Footnote 8 of the financial statements.

The overall decreases in net position for 2014 of $1,386 resulted from the excess of depreciation over other net operating and non-operating revenues.

The overall increases in net position for 2013 of $20,703 resulted from the final settlement of the RTD transaction, and increased lease revenues from the CRBC.

Additional information and analysis can be obtained from the District's office.

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

STATEMENT OF NET POSITION

Assets		
	December 31,	
	2014	2013
Current Assets		
Cash and cash equivalents	**$ 1,007,613**	$ 1,870,870
Accounts receivable - lessee	**760,543**	205,179
Restricted cash - replacement parking	**7,629,910**	17,590,033
Deposit on land	**250,000**	—
Total Current Assets	**9,648,066**	19,666,082
Noncurrent Assets		
Capital assets - Coors Field/other		
Land	**19,743,220**	19,743,220
Land improvements	**13,214,443**	13,214,443
Buildings	**170,869,380**	152,158,498
Other property and equipment	**28,415,413**	28,477,897
Construction in progress	**—**	6,377,043
	232,242,456	219,971,101
Accumulated depreciation	**(82,735,243)**	(79,121,787)
	149,507,213	140,849,314
Deferred costs, net of accumulated amortization of $457,187 in 2014 and $431,313 in 2013	**271,111**	296,985
Total Noncurrent Assets	**149,778,324**	141,146,299
Total Assets	**159,426,390**	160,812,381
Liabilities		
Current Liabilities		
Refundable security deposit	**11,667**	—
Noncurrent Liabilities		
Refundable security deposit	**—**	11,667
Total Liabilities	**11,667**	11,667
Net Position		
Net Investment In Capital Assets	**149,507,213**	140,849,314
Restricted For Capital Projects	**7,629,910**	17,590,033
Restricted For TABOR	**41,308**	62,923
Unrestricted	**2,236,292**	2,298,444
Total Net Position	**$ 159,414,723**	$ 160,800,714

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	For The Years Ended December 31, 2014	2013
Operating Revenue From Lease Of Coors Field		
Parking	**$ 1,190,465**	$ 1,067,738
Attendance	**100,000**	100,000
Concessions and other	**30,322**	33,569
	1,320,787	1,201,307
Operating Expense		
Depreciation and amortization	**4,593,299**	4,139,252
Professional services	**298,920**	294,245
General, administrative and other	**36,534**	31,503
	4,928,753	4,465,000
Operating Loss	**(3,607,966)**	(3,263,693)
Nonoperating Revenues (Expenses)		
Gain on RTD land replacement	**—**	22,335,477
Noncash lease income	**2,313,129**	735,636
Net lease rentals Delgany Street	**38,790**	133,225
Interest income	**17,366**	762,915
Loss on disposal of fixed asset	**(147,310)**	—
	2,221,975	23,967,253
Increase (Decrease) In Net Position	**(1,385,991)**	20,703,560
Net Position - Beginning Of Year	**160,800,714**	140,097,154
Net Position - End Of Year	**$ 159,414,723**	$ 160,800,714

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

STATEMENT OF CASH FLOWS

		For The Years Ended December 31,		
		2014		2013
Cash Flows From Operating Activities				
Received from lessee	**$**	**765,423**	$	1,149,342
Paid for professional and other services		**(335,454)**		(335,112)
Net Cash Provided By Operating Activities		**429,969**		814,230
Cash Flows From Capital And Related Financing Activities				
Lease rent Delgany Street property		**46,668**		140,004
Expenses paid for Delgany Street property		**(7,878)**		—
Repayment of Delgany Street note payable		—		(321,062)
Interest paid on Delgany Street note		—		(6,779)
Transfers to (from) restricted cash		**9,960,123**		(3,312,067)
RTD settlement net proceeds		—		7,934,093
Interest on RTD settlement net proceeds		—		720,000
Professional fees charged to other receivable (RTD)		—		1,065,907
Net Cash Provided By Capital And Related Financing Activities		**9,998,913**		6,220,096
Cash Flows From Investing Activities				
Purchases of capital assets		**(11,059,505)**		(7,906,138)
Deposit on land purchase		**(250,000)**		—
Interest income		**17,366**		42,915
Net Cash Used In Capital And Related Financing Activities		**(11,292,139)**		(7,863,223)
Net Decrease In Cash And Cash Equivalents		**(863,257)**		(828,897)
Cash And Cash Equivalents, Beginning Of Year		**1,870,870**		2,699,767
Cash And Cash Equivalents, End Of Year	**$**	**1,007,613**	$	1,870,870
Reconciliation Of Operating Cash Flows				
Operating loss	**$**	**(3,607,966)**	$	(3,263,693)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation and amortization		**4,593,299**		4,139,252
Increase in receivable from lessee		**(555,364)**		(51,965)
Decrease in accrued expenses		—		(9,364)
Total Adjustments		**4,037,935**		4,077,923
Net Cash Provided By Operating Activities	**$**	**429,969**	$	814,230
Restricted Cash Received From RTD For Land Taking, Interest Thereon And Initial Project Funds	**$**	**7,629,910**	$	17,590,033
Noncash Capital Activity - Other Lease Income - Capitalized Assets Pertaining To Coors Field Paid For By Lessee		**2,313,129**		735,636

1. Organization And Summary Of Significant Accounting Policies

Organization

The Denver Metropolitan Major League Baseball Stadium District (the District) is a body corporate and politic and is a subdivision of the State of Colorado, established pursuant to the Denver Metropolitan Major League Baseball Stadium District Act, *Title 32, Article 14,* of the Colorado Revised Statutes, as amended (the Act). The District currently includes all or part of seven counties in the Denver metropolitan area. The District was created for the purpose of acquiring, constructing and operating a major league baseball stadium (the Ballpark).

The Act authorized the District to levy and collect sales/use tax as of August 1, 1991 of one-tenth of one percent throughout the District to assist in financing the acquisition and construction of the Ballpark. On January 1, 2001, the District discontinued the levy of the sales tax upon the final defeasance of all of its outstanding debt.

On July 5, 1991, Denver, Colorado, was awarded a major league baseball club franchise by the National League of Professional Baseball Clubs.

Summary Of Significant Accounting Policies

The District is a separate legal entity responsible for its own financial operations and obligations and is governed by a Board of Directors (the Board) of seven members who are appointed by the Governor of the State of Colorado, and who serve without compensation. All activities for which the District exercises responsibility have been included in these financial statements. The District has been classified as a component unit of the State of Colorado, and is included in the Comprehensive Annual Financial Report of the State.

The financial statements of the District are presented on the basis of governmental proprietary fund accounting concepts, using the economic resources measurement focus and the accrual basis of accounting, and in accordance with Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (GASB 34), as amended.

The Ballpark consists of land improvements, buildings and other property and equipment, which are stated at cost and amortized and depreciated using the straight-line method over their respective estimated useful lives of 3 to 50 years beginning April 1995 when the Ballpark was placed in service.

Direct costs related to the Ballpark property leases were deferred and are amortized on the straight-line basis over the remaining life of the lease, which will expire in 2017.

The District defines operating revenues as those revenues for which cash flows are reported as operating activities, i.e., derived from its principal ongoing operations (lease of the Ballpark and related activities). Nonoperating revenues include revenue from other than exchange or exchange-like transactions, such as sales and use taxes, interest, sale of property and other income not related to lease of the Ballpark.

The preparation of the financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosed amount of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

When the District incurs an expense for which both restricted and unrestricted net position are available, the District will first apply restricted net position.

Subsequent Events

Management has evaluated subsequent events through May 9, 2015, the date the financial statements were available for issuance.

2. Cash And Cash Equivalents

The District classifies all highly liquid investments with an original maturity of three months or less when purchased as cash equivalents. See Note 3 for restricted cash. The District's cash and cash equivalents comprise the following:

	2014	2013
Checking account	**$ 143,356**	$ 114,109
Bank savings accounts	**864,257**	1,756,761
	$ 1,007,613	$ 1,870,870

3. RTD Land Transaction

In December 2011, the District received $15 million from the Regional Transportation District (RTD) representing the minimum fee compensation due for RTD's taking of the land covering 640 parking spaces in the Main Lot at Coors Field pursuant to an Intergovernmental Agreement dated November 23, 2011.

Pursuant to the settlement agreement dated March 4, 2013, the District and RTD reached a final settlement, where the District received total compensation of $24,720,000 (inclusive of the prior $15,000,000 payment), which represented the $24,000,000 value of the land, as well as $720,000 in interest received.

RTD total settlement collected	$ 24,720,000
Cost of land taken (249,442 square feet)	(512,781)
Estimated carrying cost of improvements	(85,835)
RTD legal costs reimbursement	(1,065,907)
Interest earned	(720,000)
Gain On Sale Of Land	$ 22,335,477

Settlement proceeds to the District are first required to be used to acquire suitable replacement parking for the Colorado Rockies Baseball Club (CRBC) and next to recover District expenses incurred in this matter. Cash restricted for the use of suitable replacement parking is $7,629,910 and $17,590,033 as of December 31, 2014 and 2013, respectively.

4. Ballpark Property And Equipment

The Ballpark includes, among other facilities, approximately 50,550 seats, approximately 4,150 on-site revenue parking spaces, administrative offices for the lessee and the District and the renovation and inclusion of a "bar/restaurant" as part of an existing five-story brick building. The lessee owns certain furniture, fixtures and equipment located within the Ballpark.

CRBC entered into an agreement to construct a parking garage, which would result in a net gain of 514 parking spaces. Accordingly, at December 31, 2013, $6,377,043 was recorded as parking structure in progress. During the year ended December 31, 2014, the parking structure was completed at a total cost of $15,971,720 and is recorded within buildings on the statement of net position.

Changes in capital assets and deferred costs for 2014 and 2013 were as follows:

	(In Thousands)				
	Beginning Balance	Additions	Retirements	Reclassification	Ending Balance
2014					
Land	$ 19,743	$ —	$ —	$ —	$ 19,743
Land improvements	13,215	—	—	—	13,215
Buildings	152,158	2,740	—	15,971	170,869
Other property and equipment	28,478	1,038	(1,101)	—	28,415
Construction in progress	6,377	9,594	—	(15,971)	—
Totals At Historical Cost	219,971	13,372	(1,101)	—	232,242
Accumulated depreciation					
Land improvements	(5,343)	(228)	—	—	(5,571)
Buildings	(52,074)	(3,180)	—	—	(55,254)
Other property and equipment	(21,705)	(1,159)	954	—	(21,910)
Total Accumulated Depreciation	(79,122)	(4,567)	954	—	(82,735)
Net Capital Assets	$ 140,849	$ 8,805	$ (147)	$ —	$ 149,507
2013					
Land	$ 19,743	$ —	$ —	$ —	$ 19,743
Land improvements	13,215	—	—	—	13,215
Buildings	149,494	2,664	—	—	152,158
Other property and equipment	28,070	408	—	—	28,478
Construction in progress	808	5,569	—	—	6,377
Totals At Historical Cost	211,330	8,641	—	—	219,971
Accumulated depreciation					
Land improvements	(5,115)	(228)	—	—	(5,343)
Buildings	(49,358)	(2,716)	—	—	(52,074)
Other property and equipment	(20,538)	(1,167)	—	—	(21,705)
Total Accumulated Depreciation	(75,011)	(4,111)	—	—	(79,122)
Net Capital Assets	$ 136,319	$ 4,530	$ —	$ —	$ 140,849

Changes In Deferred Costs Comprise:

	Stadium Lease	Delgany Lease *	View Plane	Total
Balance January 1, 2013	$ 101,771	$ 5,654	$ 218,252	$ 325,677
Amortization	(24,456)	(4,236)	—	(28,692)
Balance December 31, 2013	77,315	1,418	218,252	296,985
Amortization	(24,456)	(1,418)	—	(25,874)
Balance December 31, 2014	$ 52,859	$ —	$ 218,252	$ 271,111

*Delgany Street lease cost amortization began in 2010 effective with the new lease terms. View Plane costs are not subject to amortization as the View Plaine is considered an indefinite-lived intangible asset.

5. Other Commitments And Contingencies

Ballpark Lease

In 1995, the District entered into an Amended and Restated Lease and Management Agreement (the Agreement) with CRBC (the lessee). The Agreement provides for the lease of the Ballpark "Premises" (as defined in the lease) to CRBC for a period of 22 years commencing March 31, 1995, with three 5-year renewals at the option of CRBC (the lease term). The Agreement also provides for the acquisition and ownership of certain property by CRBC and for revenue sharing, on a variable basis each year, principally with respect to attendance, parking and concessions, as more fully described in the Agreement. In 2009, the District approved an amendment to the lease to include the Delgany Street property (Note 6). Income for the District is economically dependent upon CRBC.

The District has classified the Agreement as an operating lease for financial reporting purposes.

Under the Agreement, CRBC is responsible on a year-round basis for all costs associated with the repair, maintenance, operation, use and ownership of the Premises and CRBC property (including a possessory interest property tax on District-owned property) during the entire lease term.

In January 1996, CRBC established an escrow Repairs Fund (the Fund) to be used solely for repairs, restorations and replacements of District and CRBC property. Pursuant to the lease, payments of $949,029 and $889,119 were made by CRBC to this fund for the years 2014 and 2013, respectively. The Fund had a balance of $245,132 and $1,883,433 at December 31, 2014 and 2013, respectively. Expenditures totaling $2,553,295 and $1,049,502 were paid from the fund in 2014 and 2013, respectively. Of these amounts, $2,313,129 in 2014 and $735,636 in 2013 were capitalized by the District and recognized as noncash revenues.

Annual payments are subject to escalation and are due on each succeeding January 15th of the lease term. The payments are expected to correspond to the anticipated costs to repair, restore or replace the Premises and CRBC property. The Fund remains the property of CRBC, although the District has a first lien security interest therein and a District representative co-signs checks drawn on the Fund.

Deposit On Land Purchase

On April 2, 2014, the District entered into a land purchase and sale agreement with Public Service Company of Colorado. The agreement had an initial inspection period of 120 days after the signed agreement and required a $150,000 deposit. This agreement also contained an additional extension period, requiring a $75,000 deposit, which was paid for by CRBC. On December 23, 2014, an amendment to the purchase and sale agreement extended the inspection period further through September 30, 2015 and required an additional $100,000 payment. The purchase price of the contract is $2,835,000. If the agreement is terminated by the District for a reason not specified in the Agreement, the deposit of $250,000 will become nonrefundable. At December 31, 2014, the deposit is recorded into the deposit on land account within current assets.

Easement

The City offered the District $239,150 as just compensation for an easement for an outfall pipeline that sits below the pavement of a parking lot owned by the District. The District has accepted the $239,150 as compensation and expects to receive the payment in 2015.

6. View Plane And Property Purchase

The District was successful in the establishment of a View Plane ordinance to preserve the mountain views from the Ballpark with the approval of the Denver City Council. In April 2009, the District acquired certain real and personal property on Delgany Street for $2,385,576 that was within the View Plane. Pursuant to a noninterest-bearing promissory note, the purchase price is due in five equal annual installments of $337,115 commencing June 1, 2009, plus $700,001 paid at closing. The amount of interest charged to expense was $6,689 during the year ended December 31, 2013. The note is collateralized by the underlying property and related rentals under a deed of trust. The District paid off the note in full during 2013.

Effective February 1, 2010, the District executed a lease which requires monthly rentals to the District of $11,667. The lease expired on April 30, 2014.

7. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. Certain of these risks are covered by commercial insurance purchased directly by the District from independent third parties (principally public official's and employer's liability). Claim liabilities are reported if and when it is probable that a loss has occurred and the amount can be reasonably estimated.

The District's lease agreement for the Ballpark requires the lessee (and other entities that perform services for the lessee) to cover certain other risks named above on behalf of the District, its directors and others. These parties provided the required coverage for the District at their own expense for 2014 and 2013. CRBC participates in a league-wide property insurance program with all other major-league teams under an arrangement involving numerous insurance companies. The insurable property values for this policy (including buildings, equipment and other items), aggregated $448,448,143 and $402,213,000 for the years ended December 31, 2014 and 2013, respectively. The District has had no insurance settlements for the past several years.

8. TABOR Amendment

In 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the Taxpayer Bill of Rights, otherwise known as TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The amendment mandates that reserves equal to 3% of fiscal year spending be established for declared emergencies. The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment.

9. Financial Instruments, Deposits And Concentrations

The District maintains all of its cash and cash equivalents with one Denver bank and has accounts receivable due from the District's lessee, resulting in a concentration of credit risk with respect to these financial instruments. Management of the District believes its risk of exposure with respect to cash and equivalents is adequately covered by the Public Deposit Protection Act (PDPA) (Note 2) and Federal Deposit Insurance Corporation insurance.

PDPA requires that all units of Colorado government deposit cash in eligible public depositories. State regulators determine the eligibility of depositories. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA, which allows the financial institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another financial institution or held in trust. The fair value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The District's bank participates in the PDPA program.

The state regulatory commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2014 and 2013, the District's deposits had bank balances of $27,252 and $23,407 greater than their carrying amounts of $1,007,613 and $1,870,870, respectively, due to outstanding checks. Risks associated with such deposits and investments in general include:

- Custodial credit risk which is the risk that, in event of failure of the bank or counter-party, the District would be unable to recover its deposits or collateral securities. The District's investment policy does not limit the amount of deposit custodial credit risk. Under the provisions of GASB 40, deposits collateralized under PDPA are not deemed to be exposed to custodial credit risk.

- Interest rate risk is the risk that changes in financial market rates of interest will adversely affect the value of an investment. Since all of the District's deposits are highly liquid, management believes this risk is minimal.

- Credit quality risk is the risk that the issuer or other counter-party to a debt security will not fulfill its obligations. Coverage under PDPA should serve as a compensating measure if and when the District's deposit accounts hold underlying debt securities.

10. Unrestricted Net Position

The District previously designated $1,000,000 of unrestricted net position for operational and other purposes. Such funds are not considered available for refund to the various counties comprising the District or for other purposes. These designated amounts are subject to change, at the discretion of the District.

Supplementary Information

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
For The Year Ended December 31, 2014

	Actual (000s)	Budget (000s) *	(Under) Over Budget (000s) ^
Revenues			
Lease rentals - CRBC	$ 1,321	$ 1,400	$ (79)
Noncash revenue	2,313	595	1,718
Gross lease rentals - Delgany Street	47	140	(93)
Investment income	17	20	(3)
Total Revenue	3,698	2,155	1,543
Expenditures			
Depreciation/amortization	4,593	4,455	138
Administration and professional services	335	200	135
Rental expense	8	—	8
Loss on disposal of fixed assets	147	—	147
Total Expenditures	5,083	4,655	428
Decrease In Net Assets	$ (1,385)	$ (2,500)	$ 1,115

* Excludes repair and maintenance expense paid by lessee.

^ Ballpark lease rentals and noncash revenues are derived from activities under control of the lessee and nonassessed sales/use tax revenues/(expense) are subject to many variable factors including suits and claims; accordingly, budget amounts and variances may be significant as such amounts are not susceptible to reasonable estimation by the District. These sources account for $1,639 favorable variance of the net favorable budget variance of $1,115.

Note To Supplementary Information

The District's annual budget is prepared on the same basis as its accounting records, approved by the District's Board of Directors and filed with designated state officials in compliance with Colorado Revised Statutes.