
**DENVER METROPOLITAN MAJOR
LEAGUE BASEBALL STADIUM DISTRICT**
(A Component Unit of the State of Colorado)
FINANCIAL STATEMENTS
DECEMBER 31, 2021

Contents

	Page
Independent Auditors' Report	1 - 3
Required Supplementary Information	
Management's Discussion And Analysis.....	i - vi
Financial Statements	
Statement Of Net Position.....	4
Statement Of Revenues, Expenses And Changes In Net Position	5
Statement Of Cash Flows	6
Notes To Financial Statements	7 - 13
Supplementary Information	
Schedule Of Revenues And Expenses - Budget And Actual (Budget Basis)	14

Independent Auditors' Report

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

Opinion

We have audited the financial statements of Denver Metropolitan Major League Baseball Stadium District (the District), a component unit of the State of Colorado, which comprise the statement of net position as of December 31, 2021 and 2020, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

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

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

Auditors' Responsibilities For The Audit Of The Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through vi 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the District's basic financial statements. The budgetary comparison information on page 14 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 24, 2022

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

Management's Discussion and Analysis For the Years Ended December 31, 2021 and 2020

Our discussion of the District's financial performance provides an overview of our activities for 2021 and 2020, 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

Total current assets increased by \$1.9 million or 33.9%. The increase was a result of an increase in the amount receivable due from CRBC.

Total noncurrent assets, which is made up of building, equipment and view plane, reduced by the accumulated depreciation, decreased by \$5.6 million or 3.3%. The decrease was from capital fixed asset additions and construction in progress of \$1.8 million and additional depreciation of assets of \$7.4 million in 2021.

Accounts payable decreased by \$153 thousand. This decrease is a result of less capital expenses due to vendors at year-end.

Deferred revenue was reduced by \$6 million in 2021. The CRBC had pre-paid some of their lease rent in 2018 so that the District could proceed with the planned capital repairs and improvements on the stadium. In 2021, the balance of \$6 million of the prepaid amount was applied to the West Lot rent.

Rent income stayed constant in 2021, no increase or decrease. Operating rent remained at \$1 million and West lot rent remained at \$7.5 million.

Operating expenses decreased by \$449,728 or 5.4%. Included in operating expenses are depreciation expense, which decreased by \$286,721 due to less depreciation and more assets being fully depreciated. Also included in operating expenses is repairs and maintenance expense which decreased by \$296,456 and professional services which increased by \$140,518. The other items included in operating expenses are general and administrative costs, which remained consistent with prior year.

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

**Management's Discussion and Analysis
For the Years Ended December 31, 2021 and 2020**

FINANCIAL HIGHLIGHTS, continued

Interest income decreased in 2021 by \$8,240 due to a decrease in interest rates.

Noncash capital contributions decreased by \$399,470. There were less asset contributions and improvements made by Aramark during 2021.

Capital fund contribution from CRBC stayed the same. The current lease provides for an annual capital fund contribution. In 2021, the amount received was \$1.5 million.

The District's net position increased by \$2.5 million or 1.4%. Key factors to this were the decreases in depreciation and amortization expense and repairs and maintenance expense, net of a decrease in noncash contributed capital assets.

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

Management's Discussion and Analysis For the Years Ended December 31, 2021 and 2020

Use of this report

This report comprises three financial statements:

- (1) The Statement 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 which 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 sources, uses and net change in our cash. Cash flows are segregated by three major elements--operating, capital and related financing, and investing activities.

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

Management's Discussion and Analysis For the Years Ended December 31, 2021 and 2020

Condensed comparative financial statement information (in thousands):

	<u>For the Years Ended December 31,</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating Revenue from Coors Field	\$ 8,500	\$ 8,500	\$ 9,675
Nonoperating Revenues			
Noncash capital contributions	367	766	1,684
Interest income	1	10	37
Capital fund contribution	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total Revenue	10,368	10,776	12,896
Operating Expense	<u>7,898</u>	<u>8,348</u>	<u>7,800</u>
Increase In Net Position	\$ <u>2,470</u>	\$ <u>2,428</u>	\$ <u>5,096</u>

In 2021, the operating revenue remained constant with no change from 2020.

Noncash capital contributions, which represents assets contributed by third party vendors, such as Aramark, decreased by \$399,470 as a result of less capital improvements needed by concessions.

Operating expenses decreased by \$449,727 or 5.4% in 2021. The major categories decreasing were depreciation and stadium repairs.

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

**Management's Discussion and Analysis
For the Years Ended December 31, 2021 and 2020**

Condensed Statements of Net Position (in thousands):

	December 31,		
	2021	2020	2019
Current assets	\$ 7,702	\$ 5,753	\$ 4,444
Noncurrent assets and capital assets net of accumulated depreciation	167,088	172,720	177,014
Total Assets	174,790	178,473	181,458
Current liabilities	26	6,178	5,592
Noncurrent liabilities	—	—	6,000
Total Liabilities	26	6,178	11,592
Net investment in capital assets	167,089	172,720	177,014
Restricted	1,388	1,706	1,220
Unrestricted	6,288	(2,132)	(8,369)
Total Net Position	\$ 174,765	\$ 172,294	\$ 169,865

Activity in noncurrent and capital assets for 2021 is summarized as follows:

Balance at beginning of year	\$ 172,720
Plus:	
Additions - Gate E configuration, CRAC unit MDF, hot water heater Club project and other improvements including work in process at year end	1,827
Less:	
Current year depreciation	7,458
Balance at end of year	\$ 167,089

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

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

**Management's Discussion and Analysis
For the Years Ended December 31, 2021 and 2020**

BUDGET COMPARISON (in thousands):

	2021 Actual (000s)	2021 Budget (000s)	(Under) Over Budget (000s)
Revenues			
Lease rentals - CRBC	\$ 8,500	\$ 8,500	\$ —
Capital contribution/CRBC	1,500	1,500	—
Capital contributions/Aramark	367	642	(275)
Investment income	1	5	(4)
Total Revenue	<u>10,368</u>	<u>10,647</u>	<u>(279)</u>
Expenditures			
Depreciation/amortization	7,377	7,400	(23)
Administrative and professional services	393	273	120
Stadium improvements	1,827	1,365	462
Stadium repairs and maintenance	128	105	23
Total expenditures	<u>9,725</u>	<u>9,143</u>	<u>582</u>
Decrease in Net Assets - Budget Basis	643	1,504	861
Less: Capital Expenditures	1,827	1,365	462
Change in Net Assets - GAAP Basis	<u>\$ 2,470</u>	<u>\$ 2,869</u>	<u>\$ 399</u>

District received less than budgeted from Aramark toward capital improvements for the stadium concession areas.

Stadium improvements were over budget slightly, due to catching up on prior year projects that could not be completed due to COVID-19 restrictions and were able to be completed in 2021.

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

STATEMENT OF NET POSITION

Assets		December 31,	
		2021	2020
Current Assets			
Cash	\$	1,614,211	\$ 1,347,075
Restricted cash		1,087,650	1,406,282
Rent receivable		5,000,000	3,000,000
Total Current Assets		7,701,861	5,753,357
Noncurrent Assets			
Land		20,664,165	20,664,165
Land improvements		13,214,443	13,214,443
Buildings		218,942,144	217,653,342
Other property and equipment		36,634,054	36,240,694
Construction in progress		146,463	83,177
		289,601,269	287,855,821
Accumulated depreciation		(122,730,924)	(115,354,339)
		166,870,345	172,501,482
Intangible asset - view plane		218,252	218,252
Total Noncurrent Assets		167,088,597	172,719,734
Total Assets		174,790,458	178,473,091

Liabilities

Current Liabilities			
Accounts payable		25,888	178,750
Current portion of unearned rent and capital contribution		—	6,000,000
Total Current Liabilities		25,888	6,178,750

Net Position

Net Position			
Net investment in capital assets		167,088,597	172,719,734
Restricted for capital projects		1,087,650	1,406,282
Restricted for TABOR		300,041	300,288
Unrestricted		6,288,282	(2,131,963)
Total Net Position		\$ 174,764,570	\$ 172,294,341

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

	For The Years Ended December 31,	
	2021	2020
Operating Revenue From Lease Of The Ballpark		
Rent income	\$ 8,500,000	\$ 8,500,000
Operating Expense		
Depreciation and amortization	7,376,585	7,663,306
Professional services	357,804	217,286
General, administrative and other	35,372	42,441
Repairs and maintenance	127,920	424,375
Total Operating Expense	7,897,681	8,347,408
Operating Income	602,319	152,592
Nonoperating Revenue		
Interest income	1,375	9,615
Change In Net Position Before Capital Contributions	603,694	162,207
Capital Contributions		
Noncash income - contributed capital assets	366,535	766,005
Capital fund contribution - CRBC	1,500,000	1,500,000
Total Capital Contributions	1,866,535	2,266,005
Change In Net Position	2,470,229	2,428,212
Net Position - Beginning Of Year	172,294,341	169,866,129
Net Position - End Of Year	\$ 174,764,570	\$ 172,294,341

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

STATEMENT OF CASH FLOWS

	For The Years Ended December 31,	
	2021	2020
Cash Flows From Operating Activities		
Receipts from lessee	\$ 500,000	\$ 7,217,865
Payments for professional and other services	(524,865)	(755,712)
Net Cash From Operating Activities	(24,865)	6,462,153
Cash Flows From Capital And Related Financing Activities		
Payments for capital additions	(1,528,006)	(6,944,402)
Capital contribution - CRBC	1,500,000	1,500,000
Cash Flows From Capital And Related Financing Activities	(28,006)	(5,444,402)
Cash Flows From Investing Activities		
Interest income	1,375	9,615
Net Change In Cash	(51,496)	1,027,366
Cash, Beginning Of Year	2,753,357	1,725,991
Cash, End Of Year	\$ 2,701,861	\$ 2,753,357
Shown In The Statement Of Financial Position As:		
Cash	\$ 1,614,211	\$ 1,347,075
Restricted cash	1,087,650	1,406,282
Cash, End Of Year	\$ 2,701,861	\$ 2,753,357
Reconciliation Of Operating Cash Flows		
Operating income	\$ 602,319	\$ 152,592
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation and amortization	7,376,585	7,663,306
Change in assets and liabilities:		
Rent receivable	(2,000,000)	(282,135)
Accounts payable	(3,769)	(71,610)
Unearned rent and capital contribution	(6,000,000)	(1,000,000)
Net Cash Provided By Operating Activities	\$ (24,865)	\$ 6,462,153
Noncash Capital And Related Financing Activity		
Capital additions in accounts payable	\$ 22,356	\$ 171,449

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

NOTES TO FINANCIAL STATEMENTS December 31, 2021 And 2020

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 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 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 Annual Comprehensive Financial Report of the state.

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

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

Notes To Financial Statements (*Continued*)

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. Subsequent capital additions funded by the Colorado Rockies Baseball Club (CRBC) are donated to the District and recorded at their acquisition value.

View plane relates to costs incurred to preserving west view sight lines from within the Ballpark. The view plane is considered an indefinite-lived intangible asset and therefore is not subject to amortization.

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 interest, sale of property, donation of CRBC-funded capital additions 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 (GAAP) 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.

Total expenditures exceeded total appropriations in 2021 by approximately \$582,000, and total appropriations exceeded total expenditures by \$3,626,000 in 2020, of which capital additions accounted for a \$462,000 unfavorable variance in 2021 and a \$3,680,000 favorable variance in 2020.

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

Notes To Financial Statements (*Continued*)

2. Cash

The District's cash consists of the following:

	<u>2021</u>	<u>2020</u>
Cash		
Checking account	\$ 571,465	\$ 104,611
Bank savings accounts	1,042,746	1,242,464
Total Cash	<u>1,614,211</u>	<u>1,347,075</u>
Restricted Cash		
Checking account - capital improvements	144,766	112,493
Checking account - replacement parking	663,503	862,084
Sweep account - capital improvements	279,381	431,705
Total Restricted Cash	<u>1,087,650</u>	<u>1,406,282</u>
	 <u>\$ 2,701,861</u>	 <u>\$ 2,753,357</u>

The District maintains all of its cash with two Denver banks resulting in a concentration of credit risk. Management of the District believes its risk of exposure with respect to cash is covered by adequate collateral required by the Public Deposit Protection Act (PDPA) 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 banks participate 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.

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

Notes To Financial Statements (*Continued*)

At December 31, 2021 and 2020, the District's cash deposits had bank balances of \$2,725,071 and \$3,253,795, respectively. 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 Statement No. 40, *Deposit and Investment Risk Disclosures - An Amendment of GASB Statement No. 3*, deposits collateralized in accordance with PDPA are not deemed to be exposed to custodial credit risk.
- Interest rate risk is the risk that changes in financial market interest rates could 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. The District does not hold any debt securities and therefore is not exposed to this credit quality risk.

The District holds all cash funds in bank accounts and therefore does not have an investment policy beyond that set forth in Colorado statutes that specify investment instruments meeting defined rating and risk criteria in which local government entities may invest, as follows:

- Obligations of the United States and certain U.S. government agencies securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

Notes To Financial Statements *(Continued)*

3. Ballpark Property And Equipment

The Ballpark includes, among other facilities, 50,398 seats, over 4,300 on-site revenue parking spaces, administrative offices for the lessee and the District and a bar/restaurant as part of an existing 5-story brick building. The lessee owns certain furniture, fixtures and equipment located within the Ballpark.

Changes in capital assets for 2021 and 2020 were as follows:

	(In Thousands)				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
2021					
Land	\$ 20,664	\$ —	\$ —	\$ —	\$ 20,664
Land improvements	13,214	—	—	—	13,214
Buildings	217,653	1,289	—	—	218,942
Construction in progress	83	146	—	(81)	148
Other property and equipment	36,242	392	—	—	36,634
Totals At Historical Cost	287,856	1,827	—	(81)	289,602
Accumulated depreciation:					
Land improvements	(6,922)	(214)	—	—	(7,136)
Buildings	(82,194)	(5,952)	—	—	(88,146)
Other property and equipment	(26,239)	(1,211)	—	—	(27,450)
Total Accumulated Depreciation	(115,355)	(7,377)	—	—	(122,732)
Net Capital Assets	\$ 172,501	\$ (5,550)	\$ —	\$ (81)	\$ 166,870
2020					
Land	\$ 20,664	\$ —	\$ —	\$ —	\$ 20,664
Land improvements	13,214	—	—	—	13,214
Buildings	211,800	1,182	4,671	—	217,653
Construction in progress	4,672	82	(4,671)	—	83
Other property and equipment	34,138	2,104	—	—	36,242
Totals At Historical Cost	284,488	3,368	—	—	287,856
Accumulated depreciation:					
Land improvements	(6,705)	(217)	—	—	(6,922)
Buildings	(76,334)	(5,860)	—	—	(82,194)
Other property and equipment	(24,653)	(1,586)	—	—	(26,239)
Total Accumulated Depreciation	(107,692)	(7,663)	—	—	(115,355)
Net Capital Assets	\$ 176,796	\$ (4,295)	\$ —	\$ —	\$ 172,501

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

Notes To Financial Statements (*Continued*)

4. Other Commitments And Contingencies

Ballpark Lease

The District and CRBC signed a Ballpark lease commencing on March 31, 2017 and terminating March 31, 2047, plus three 5-year renewal options. The lease provides for payments by CRBC to the District of \$2,500,000 annually, consisting of \$1,000,000 in rent and \$1,500,000 contribution to the capital fund. These annual amounts will be paid in two equal semi-annual installments in January and September. The lease also contains parking revenue-sharing provisions. Additionally, the Ballpark lease agreement provides for a 99-year ground lease of the West Lot for which CRBC will make annual payments to the Capital Repairs Fund as follows:

<u>Years</u>	<u>Amount</u>
1 - 5	\$ 7,500,000
6 - 20	5,000,000
21 - 30	1,250,000
31 - 99	100

Unearned rent and capital contribution on the statement of net position represents prepayments of future years' scheduled amounts to provide for an acceleration of certain capital projects. All prepayments were applied to lease payments in 2021.

Capital Projects

As of December 31, 2021, the District has contracts for the construction of various capital projects. The costs to complete these projects total \$590,173.

5. 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.

DENVER METROPOLITAN MAJOR LEAGUE BASEBALL STADIUM DISTRICT

Notes To Financial Statements (*Continued*)

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 2021 and 2020. 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 \$489,651,849 for the years ended December 31, 2021 and 2020. The District has had no insurance settlements for the past several years.

6. 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 defined revenues be established for declared emergencies. The amendment is complex and subject to judicial interpretation. The District believes it has complied with the requirements of the amendment.

7. Unrestricted Net Position

The District has 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.

8. Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available for issuance, which is the date of the Independent Auditors' Report.

Supplementary Information

**DENVER METROPOLITAN MAJOR LEAGUE
BASEBALL STADIUM DISTRICT**

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
(BUDGET BASIS)**

For The Year Ended December 31, 2021

	Actual (000s)	Budget (000s)	Over (Under) Budget (000s)
Revenues			
Lease rentals - CRBC	\$ 8,500	\$ 8,500	\$ —
Capital fund contribution - CRBC	1,500	1,500	—
Noncash revenue	367	642	(275)
Investment income	1	5	(4)
Total Revenue	10,368	10,647	(279)
Expenditures			
Depreciation/amortization	7,377	7,400	(23)
Administration and professional services	393	273	120
Stadium improvements	1,827	1,365	462
Stadium repairs and maintenance	128	105	23
Total Expenditures	9,725	9,143	582
Change In Net Assets - Budget Basis	643	1,504	861
Less: Capital Expenditures	1,827	1,365	462
Change In Net Assets - GAAP Basis	\$ 2,470	\$ 2,869	\$ 399

Notes To Supplementary Information

The District's annual budget is prepared on the same basis as its accounting records (with the exception of expensing capital additions, and is therefore not in accordance with GAAP), approved by the District's Board of Directors and filed with designated state officials in compliance with Colorado Revised Statutes.

In accordance with the State Budget Law, the District's Board of Directors holds public hearings before the end of each year to approve the budget and appropriate funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation is at the total fund expenditures level and lapses at year end.