2010 ANNUAL REPORT

Metropolitan Sports Facilities Commission
Minneapolis, Minnesota

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal year ended December 31, 2010

METRODOME

Metropolitan Sports Facilities Commission
Minneapolis, Minnesota

Comprehensive Annual Financial Report

Fiscal year ended December 31, 2010

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, 2010

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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 25, 2011

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

Dear Mr. Mondale 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, 2010. 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, 2010, 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-eighth consecutive year. The independent auditor's report on the basic financial statements for the

HUBERT H. HUMPHREY
METRODOME

METROPOLITAN SPORTS
FACILITIES COMMISSION

AFFIRMATIVE ACTION/
EQUAL OPPORTUNITY EMPLOYER

year ended December 31, 2010, 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 Twin Cities' economic report card continues to have low marks in employment and consumer confidence. Consumer purchases and household finances are important economic indicators for the sports and entertainment industry as they influence event attendance, ticket pricing, and concession food and beverage pricing.

According to the state's February 2011 Forecast by Minnesota Management & Budget (MMB) the state's labor market conditions are slowly improving, albeit the economy is still struggling to add jobs. Job growth has been slow and is predicted to remain slow during 2011. The Forecast predicts Minnesota employment will grow 1.0 percent in 2011, 1.9 percent in 2012, and 2.0 percent in 2013. During 2010 Minnesota businesses increased hours of existing staff rather than hiring new employees. The Forecast predicts that production demand will lead employers to start hiring which will strengthen Minnesota's job climate in 2011. MMB predicts that Minnesota's 2011 unemployment rate will be 7 percent.

Minnesota's national macro-economic consultant expects real gross domestic product (GDP) growth at an annual rate of 2.8 percent in calendar 2011 and projects a growth rate of 2.9 percent in 2012. There is evidence that core inflation is beginning to pick up and the forecast for core consumer price index growth in 2011 and 2012 is low at 1.4 percent and 1.8 percent, respectively.

The Forecast reports that credit conditions are starting to ease as larger banks and credit card companies increase their lending efforts for more creditworthy consumers and businesses. Interest rates are not expected to increase until 2012. Although homes sales and new housing construction continue to be depressed there has been a slight resurgence in home equity lending.

The Twin Cities' metropolitan area has the nation's 14th largest metropolitan economy with an estimated population of 2.85 million. The Twin Cities region grew by 208,000 people and 96,000 households from 2000 to 2010 per the U.S. Census report. It ranks 8th highest 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 $45,811 in 2009 and the average growth in per capita income was 2.3 percent per year, from 2000 to 2009. Twenty listed Fortune 500 companies are headquartered in the Twin Cities.

Major Initiatives and Accomplishments

The commission remains hopeful that a stadium solution to keep the Minnesota Vikings in Minnesota beyond 2011 will be found. As of the close of the 2011 legislative session, no such measure has been enacted. Previously, the Commission worked diligently with the Minnesota Vikings to develop a construction plan for a new multi-use stadium on the current Metrodome site. Currently, there are two potential sites for a new facility. In addition to the Metrodome site, Ramsey County officials have proposed a site in Arden Hills.

At the end of the 2011 football season, the Use Agreement between the Commission and the Minnesota Vikings expires. The Minnesota Vikings have consistently reiterated their position that there will be no extension of the current Use Agreement in the Metrodome. Historically, when Use Agreements have expired, teams have operated on year to year contracts until the issue is resolved.

Barring passage of a stadium bill in a special session, the matter will be before the 2012 Minnesota Legislature. The Commission continues to operate under its original legislative charge, i.e. to retain professional football in Minnesota for the long term. In addition to the ten Minnesota Vikings games each season, the Metrodome is the home for approximately 300 event days each year, these include Minnesota State High School events, Hmong American New Year, Monster Truck Jam and a myriad of other athletic and community events.

The MSFC has long held that Minnesota deserves a “rec room” for all the ancillary events that require a large-capacity, climate controlled facility.

Several initiatives were undertaken at the Metrodome in 2010 including three construction projects and replacement of the playing field surface. The new playing surface improved the firmness and playability of the field for all users. In the spring of 2010 construction began on a new ticket office for the Minnesota Vikings which increased square footage, improved functionality and added exterior access to multiple ticket windows. Work also began on remodeling the Vikings Lounge and construction of a new hospitality area, known as the Gridiron Club. Located directly above the Minnesota Vikings new ticket office the ultra modern Gridiron Club and outdoor deck opened for the Minnesota Vikings first 2010 pre-season football game. The ultra modern Club overlooks the Plaza area, offers extensive food and beverage services for 150 club members, and has private restrooms for its members.

The Metrodome roof collapsed on December 12, 2010 and restoration efforts to replace the entire exterior roof membrane began in March 2011. A discussion of the roof collapse is included in the MD&A and in the Notes to the Financial Statements.

FINANCIAL INFORMATION

Reserve Policy

On February 25, 2011, the Commission rescinded its reserve policy which required $6 million as the minimum amount of reserves in the unrestricted net asset account. Several multi-year financial projections and analyses were completed by the Commission. It was then determined that the reserve policy was no longer sustainable and should be rescinded.

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, 2009. This was the seventh 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 Sue Arcand, 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 J. Lester   Mary Fox-Stroman

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, 2009

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.

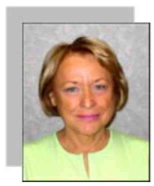
President

Executive Director

Metropolitan Sports Facilities Commission
List of Commissioners and Administrative Officials
December 31, 2010

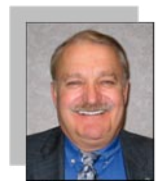
COMMISSIONERS:

Roy Terwilliger
Chair



Loanne Thrane
Vice Chair

Peggy Lucas
Secretary



Ray Waldron
Treasurer

Charles T. Lutz

Paul Rexford
Thatcher, 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 2015
Timothy M. Rose	January 2007	January 2011
Paul Rexford Thatcher, Sr.	January 2007	January 2015

In 2011, the following Commission changes occurred:
Ted Mondale, Chair
Tim Baylor, Commissioner

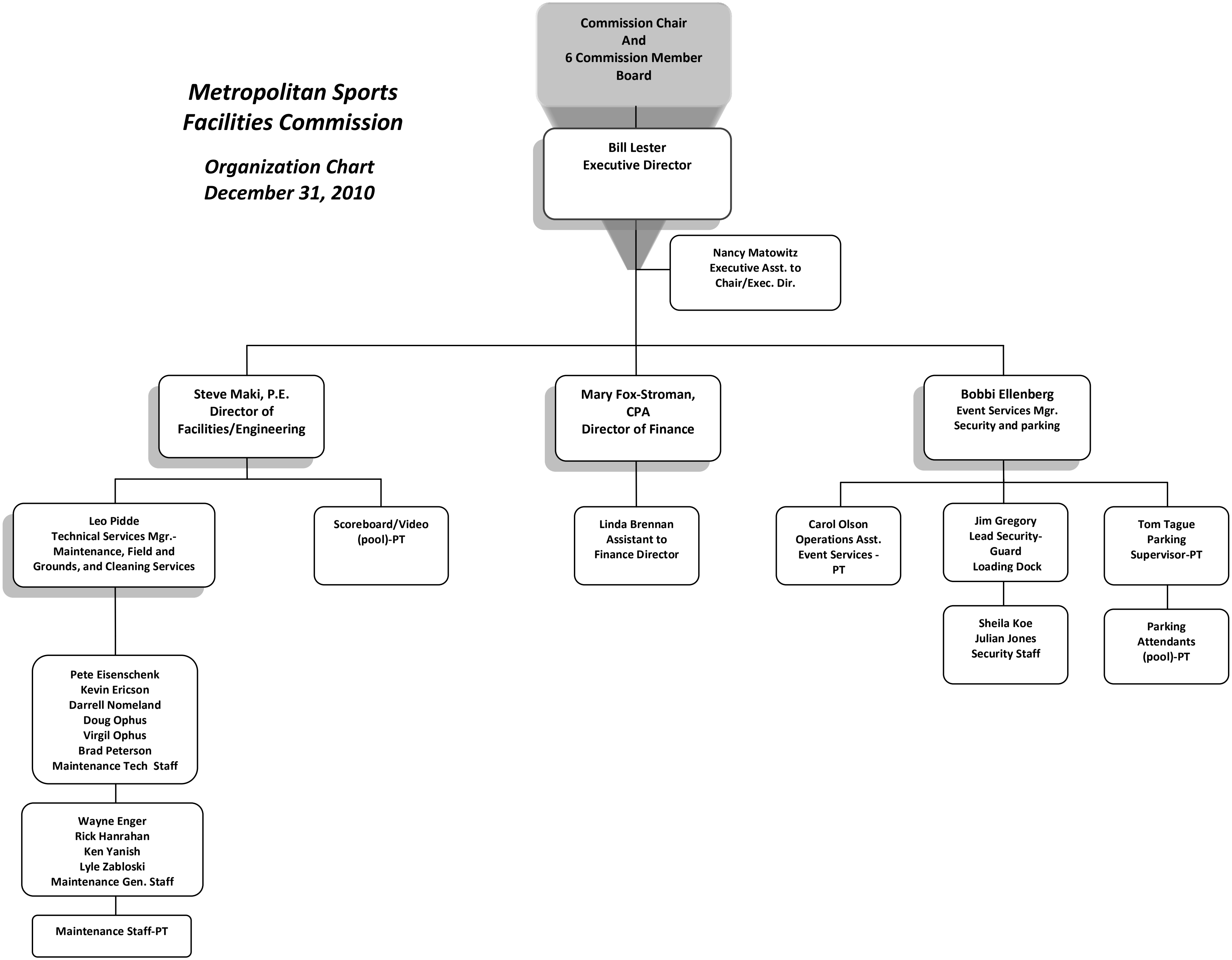
Executive Director
William Lester

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

Director of Finance
Mary C. Fox-Stroman, CPA

Metropolitan Sports Facilities Commission

Organization Chart
December 31, 2010



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

Representative Michael Beard, Chair
Legislative Audit Commission

Members of the Legislative Audit Commission

Mr. Ted Mondale, 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, 2010, 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, 2010, 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.

As discussed in Note III.D., the Metropolitan Sports Facilities Commission applied the provisions of Governmental Accounting Standards Board (GASB) Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, for the year ended December 31, 2010, due to the extraordinary event in December 2010 that caused the Metrodome's roof to collapse. This statement establishes both accounting and financial reporting standards for impairment of capital assets and also clarifies and establishes accounting requirements for insurance recoveries.

Room 140 Centennial Building, 658 Cedar Street, St. Paul, Minnesota 55155-1603 • Tel: 651-296-4708 • Fax: 651-296-4712
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

The accompanying financial statements have been prepared assuming that the Metropolitan Sports Facilities Commission will continue as a going concern. As discussed in Note 1 to the financial statements and further explained in Management's Discussion and Analysis, due to the loss of two primary tenants, the Commission has had a significant reduction in total revenues and incurred an operating loss. The lone remaining major tenant is in the final year of its operating use agreement with the commission. These circumstances raise substantial doubt about the Commission's ability to continue as a going concern in the future. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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 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
James R. Nobles
Legislative Auditor

Cecile M. Ferkul
Cecile M. Ferkul, CPA
Deputy Legislative Auditor

June 23, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Metropolitan Sports Facilities Commission (Commission) Comprehensive Annual Financial Report presents a narrative overview and analysis of the Commission's financial performance for the fiscal year ended December 31, 2010. 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 $26,281,153 at December 31, 2010, net assets decreased by $1,383,655 from the previous year.

- Revenues and expenses decreased significantly in 2010 due to the departure of the Minnesota Twins from the Metrodome at the end of the 2009 baseball season and the loss of 81 major league baseball games.

    - During fiscal year 2010, the Commission's revenues decreased by $31,267,782, fiscal year 2010 revenues were $20,618,730. In 2010 concession sales decreased by $21,217,002, admission taxes decreased by $5,336,716, charges for services decreased by $2,965,154, and advertising revenues decreased by $1,669,653.
    - The Commission's expenses decreased by $33,168,764 during the year, fiscal year 2010 expenses were $24,231,547. The three largest expense reductions were: decreased concession costs of $10,056,304, decreased tenant's share of concession receipts of $8,590,447, decreased facilities cost credit expenses of $5,149,425.

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, the number of events, 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 - 22 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, 2010 and 2009:

Summary of Net Assets as of December 31, 2010 and 2009

	2010	2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,566,780	$ 5,283,371
Investments	10,897,267	11,133,614
Receivables:		
Accounts	5,091,455	6,971,089
Accrued interest	65,688	70,440
Prepaid items	248,775	282,049
Total current assets	17,869,965	23,740,563
Noncurrent assets:		
Receivables:		
Accounts	59,000	101,500
Capital assets:		
Land	8,700,000	8,700,000
Building	98,584,575	98,698,960
Equipment	12,290,816	12,262,677
Accumulated depreciation	(108,620,085)	(107,493,064)
Total capital assets (net of accumulated depreciation)	10,955,306	12,168,573
Total noncurrent assets	11,014,306	12,270,073
Total assets	28,884,271	36,010,636
LIABILITIES		
Current liabilities:		
Salaries and benefits payable	28,111	560,783
Accounts payable and other accrued liabilities	2,342,073	7,553,239
Unearned revenue	20,875	35,042
Compensated absences	123,888	110,285
Total current liabilities	2,514,947	8,259,349
Noncurrent liabilities:		
Compensated absences	88,171	86,479
Total liabilities	2,603,118	8,345,828
NET ASSETS		
Invested in capital assets	10,955,306	12,168,573
Unrestricted	15,325,847	15,496,235
Total net assets	$ 26,281,153	$ 27,664,808

The following table summarizes the changes in net assets for the years ended December 31, 2010 and 2009.

Summary of Changes in Net Assets
For the Fiscal Years Ended December 31, 2010 and 2009

	2010	2009
Revenues:		
Concessions	$ 8,211,352	$ 29,428,354
Admission tax	4,810,211	10,146,927
Rent	5,289,046	4,850,967
Charges for services	940,332	3,905,486
Advertising	295,458	1,965,111
Novelties	-	57,270
Parking	80,588	126,604
Other	268,914	373,976
Investment earnings	722,829	1,031,817
Total revenues	20,618,730	51,886,512
Expenses:		
Concession costs	4,509,914	14,566,218
Tenants share of concession receipts	1,238,429	9,828,876
Facilities cost credit	4,293,708	9,443,133
Personal services	2,465,130	4,313,474
Professional services	375,033	444,911
Contractual services	2,260,888	4,730,583
Audio-visual services	215,036	287,412
Travel and meetings	20,178	34,553
Supplies, repairs and maintenance	797,164	925,697
Utilities	2,917,287	3,688,505
Insurance	495,053	483,024
Communications	70,378	87,763
Facilities planning, research and public information	354,426	1,352,022
Event costs	578,031	1,227,607
Marketing and advertising	154,701	309,837
Miscellaneous	76,855	69,989
Depreciation	2,633,710	5,592,434
Roof restoration costs	569,337	-
Loss on disposal of capital assets	206,289	14,273
Total expenses	24,231,547	57,400,311
Extraordinary item-insurance recovery	2,229,162	-
Change in net assets	(1,383,655)	(5,513,799)
Total net assets, January 1	27,664,808	33,178,607
Total net assets, December 31	$ 26,281,153	$ 27,664,808

Commission's Activities

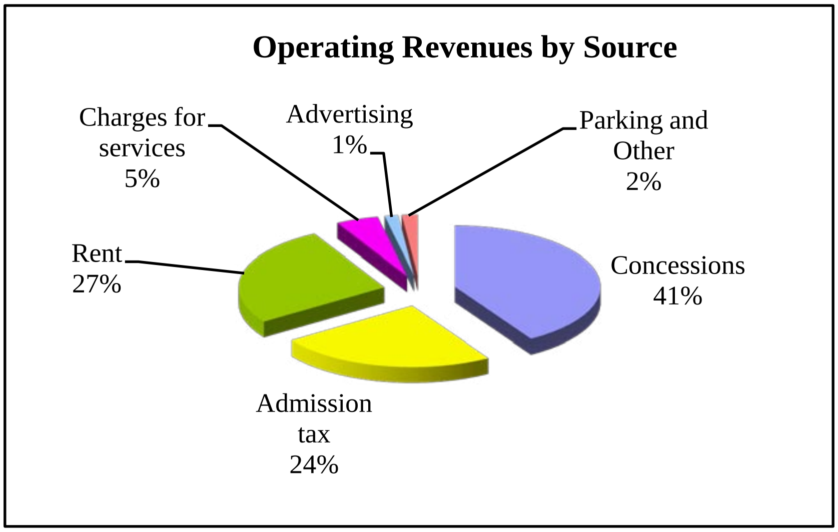
As noted earlier, net assets serve as a useful indicator of the Commission's financial position. In fiscal year 2010, the Commission's total net assets decreased by $1,383,655 (5 percent) to $26,281,153. The Commission's net assets of $10,955,306 (41.7 percent) reflect its investment in capital assets less accumulated depreciation. These assets are comprised of the Metrodome stadium site, stadium building, and stadium and concession equipment. The Commission uses 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 $15,325,847 (58.3 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 were $19,895,901 for fiscal year 2010. Sources of revenue are comprised of concessions, admission tax, rent, charges for services, advertising, parking, and other revenues. Food and beverage concessions constitute the largest source of revenues and represent 41.3 percent of total operating revenues. A portion of the concessions revenues is paid to the Minnesota Vikings 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 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.

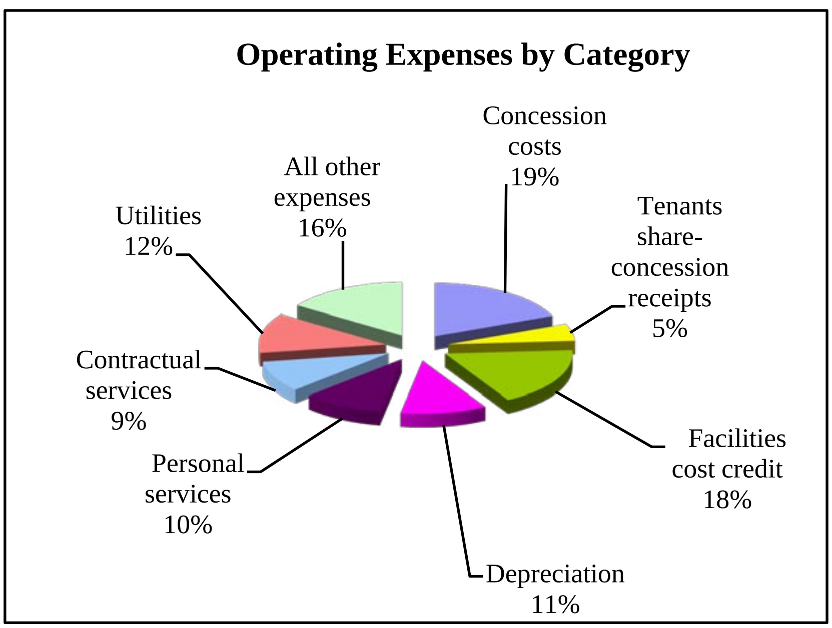
Operating revenues decreased by $30,958,794 from the previous year primarily due to the departure of the Minnesota Twins from the Metrodome at the end of the 2009 season and the cancelation of events that were scheduled at the Metrodome from December 12, 2010 through December 31, 2010. The loss of 81 Minnesota Twins games at the Metrodome caused concessions revenues to decrease by $19,886,649, admission taxes decreased by $5,397,344, and charges for services decreased by $2,652,603. The cancelation of events caused a business interruption loss of $1,659,825. Recovery of this loss is included in the line: extraordinary item-insurance recovery.

Below is a chart of the 2010 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 2010 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 three largest expense reductions were: concession costs decreased by $10,056,304, tenants' share of concession receipts decreased by $8,590,447, and facilities cost credit decreased by $5,149,425. These expense reductions are primarily due to the departure of the Minnesota Twins from the Metrodome at the end of the 2009 season.

Capital Assets

The Commission's investment in capital assets as of December 31, 2010 was $10,955,306 (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, 2010 and 2009.

Capital Assets
As of December 31, 2010 and 2009

	2010	**2009**
Capital assets:		
Land	$8,700,000	$8,700,000
Building	98,584,575	98,698,960
Equipment	12,290,816	12,262,677
Total capital assets	119,575,391	119,661,637
Less: accumulated depreciation	(108,620,085)	(107,493,064)
Total capital assets, net	$10,955,306	$ 12,168,573

During fiscal year 2010, the Commission's total capital assets valuation decreased by $86,246. Major capital asset events during the current fiscal year included the following:

- Installation of a new playing surface and warning track at a cost of $553,193
- Construction of a new Vikings ticket office at a cost of $117,875, remodeling of the Vikings Lounge at a cost of $30,904, and construction of the Vikings Gridiron Club and deck at a cost of $652,545
- Acquisition of concession equipment at a cost of $76,307 including point of sale terminals, hand sinks, bar carts, and signage
- Disposition of artificial turf and warning track with an original cost of $1,437,997 and disposition of various equipment items with an original cost of $274,980

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

A catastrophic event occurred at the Metrodome on December 12, 2010 when its roof suddenly collapsed. The heavy accumulation of snow and ice on the roof caused several roof panels to rupture which then led to deflation of the entire roof. All Metrodome scheduled events were immediately suspended including two Minnesota Vikings regular season games which were scheduled for December 12, 2010 and December 20, 2010 and a variety of other events. In January 2011 concourse only events resumed at the Metrodome, however, all other Metrodome events were canceled through July 2011. Several of the users whose events were canceled at the Metrodome found alternative locations to host their events. Metrodome events will resume in August 2011 and will include the Minnesota Vikings regular season football games and a variety of high school, college, and amateur sporting events, monster truck events, other sport, recreation, community, corporate, and cultural events.

The Commission's 2011 budget includes net revenues of $9,212,250 which is a 6.1 percent decrease from the prior year's budget. Budgeted net revenues from Minnesota Vikings games of $6,638,750 comprise 72.1 percent of total revenues. In fiscal year 2011 food and beverage concession prices, rental fees, parking fees, and building use fees remain unchanged.

Budgeted operating expenses for fiscal year 2011 are $10,039,000 which is an 8.2 percent decrease from the prior year. Personal services have the largest expense reduction of $732,000 which is due to the reduction in force as of February 1, 2010. Concessions replacement and equipment budgeted expenses decreased by $25,000. Other expense reductions will be accomplished through various innovative approaches such as contract modifications, process improvements, and service delivery changes. The Commission's goal is to reduce costs while maintaining core stadium services for its many users.

The fiscal year 2011 budget was amended in March 2011 due to the additional expenses related to the roof restoration project and the estimated extraordinary item for insurance recovery. Budgeted repair, replacements and improvement expenses for fiscal year 2011 were increased by $22,727,000 for the project. The property damage loss and the business interruption loss due to the roof collapse are covered by the Commission's property insurance carrier except for the net deductible of $25,000.

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, 2010

ASSETS	
Current assets:	
Cash and cash equivalents	$ 1,566,780
Investments	10,897,267
Receivables:	
Accounts	5,091,455
Accrued interest	65,688
Prepaid items	248,775
Total current assets	17,869,965
Noncurrent assets:	
Receivables:	
Accounts	59,000
Capital assets:	
Land	8,700,000
Building	98,584,575
Equipment	12,290,816
Accumulated depreciation	(108,620,085)
Total capital assets (net of accumulated depreciation)	10,955,306
Total noncurrent assets	11,014,306
Total assets	28,884,271
LIABILITIES	
Current liabilities:	
Salaries and benefits payable	28,111
Accounts payable and other accrued liabilities	2,342,073
Unearned revenue	20,875
Compensated absences	123,888
Total current liabilities	2,514,947
Noncurrent liabilities:	
Compensated absences	88,171
Total liabilities	2,603,118
NET ASSETS	
Invested in capital assets	10,955,306
Unrestricted	15,325,847
Total net assets	$ 26,281,153

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, 2010

Operating revenues:	
Concessions	$ 8,211,352
Admission tax	4,810,211
Rent	5,289,046
Charges for services	940,332
Advertising	295,458
Parking	80,588
Other	268,914
Total operating revenues	19,895,901
Operating expenses:	
Concession costs	4,509,914
Tenants share of concession receipts	1,238,429
Facilities cost credit	4,293,708
Personal services	2,465,130
Professional services	375,033
Contractual services	2,260,888
Audio-visual services	215,036
Travel and meetings	20,178
Supplies, repairs and maintenance	797,164
Utilities	2,917,287
Insurance	495,053
Communications	70,378
Facilities planning, research and public information	354,426
Event costs	578,031
Marketing and advertising	154,701
Miscellaneous	76,855
Depreciation	2,633,710
Roof restoration costs	569,337
Total operating expenses	24,025,258
Total operating loss	(4,129,357)
Nonoperating revenues (expenses):	
Investment earnings	722,829
Loss on disposal of capital assets	(206,289)
Total nonoperating revenues (expenses)	516,540
Extraordinary item	
Insurance recovery	2,229,162
Change in net assets	(1,383,655)
Total net assets, January 1, 2010	27,664,808
Total net assets, December 31, 2010	$ 26,281,153

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, 2010

Exhibit C

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from concessionaire	$ 4,255,811
Cash received from tenants	9,982,887
Cash received from others	1,119,931
Cash payments to concessionaire, vendors and others	(8,640,077)
Cash payments to tenants	(6,789,833)
Cash payments to employees	(2,982,506)
Net cash provided (used) by operating activities	(3,053,787)
CASH FLOWS FROM CAPITAL ACTIVITIES	
Purchase of capital assets	(1,626,732)
Net cash provided (used) by capital activities	(1,626,732)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	2,960,000
Purchase of investments	(2,774,159)
Interest received	778,087
Net cash provided (used) by investing activities	963,928
Net increase (decrease) in cash and cash equivalents	(3,716,591)
Cash and cash equivalents, January 1	5,283,371
Cash and cash equivalents, December 31	$ 1,566,780

Reconciliation of operating loss to net cash provided (used) by operating activities:	
Operating loss	$ (4,129,357)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	2,633,710
Extraordinary item - insurance recovery	2,229,162
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	1,922,134
(Increase) decrease in prepaid items	33,274
Increase (decrease) in salaries and benefits payable	(532,672)
Increase (decrease) in accounts payable and other accrued liabilities	(5,211,166)
Increase (decrease) in unearned revenue	(14,167)
Increase (decrease) in compensated absences	15,295
Total adjustments	1,075,570
Net cash provided (used) by operating activities	$ (3,053,787)

Noncash investing, capital, and financing activities:	
Increase in fair value of investments	$ 501,738

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 currently is the home field for the Minnesota Vikings 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 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 2011 football season. 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 2009 regular season football game, one 2009 National Football League Divisional playoff game, two 2010 preseason football games, and six regular season football games at the Metrodome in 2010.

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.

The Commission is a component unit of the Metropolitan Council of the Twin Cities Area (Metropolitan Council). The Metropolitan Council annually reviews and 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.

I. Summary of significant accounting policies (continued)

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:

(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.

I. Summary of significant accounting policies (continued)

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.

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, 2010
Operating account	$11,197,732
Repairs, replacements and improvements account	2,500,491
Concessions reserve account	1,627,624
	$15,325,847

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, 2010, the carrying amount of the Commission's combined bank accounts was $1,149,250. Bank balances were $1,671,098 of which $250,000 was covered by federal depository insurance and the remaining $1,421,098 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, 2010.

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.

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, then the Commission will not be able to

II. Detailed notes (continued)

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, 2010:

Security Type	Credit Risk	Custodial Credit Risk	Par	Fair Value	% of Total Portfolio
U.S. Agency Securities	Aaa	Custody (a)	$ 70,838	$ 85,958	0.7%
Federal National Mortgage Assoc.	Aaa	Custody (a)	$ 4,428,248	$ 5,096,883	40.9%
Federal Home Loan Mortgage Corp.	Aaa	Custody (a)	$ 3,376,760	$ 3,840,668	30.8%
Government National Mortgage Assoc.	Aaa	Custody (a)	$ 1,656,030	$ 1,873,758	15.0%
Money Market Funds	(b)	(c)	$ 1,469,494	$ 1,469,494	11.8%
Cash for operations	n.a.	(c)	$ 96,836	$ 96,836	0.8%
Petty cash	n.a.	Commission held	$ 450	$ 450	0.0%
Total cash and investments			$11,098,656,	$12,464,047	100.0%

(a) Securities held in custody/escrow are in the Commission's name
(b) $417,080 invested in Aaa money market fund and $1,052,414 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.

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, 2010. The investment portfolio has an average yield of 3.46%, modified duration of 1.82 years, effective duration of 1.82 years and convexity of -0.6 as of December 31, 2010.

	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	$ 85,652	$ 84,881	$ 84,074	$ 83,150
Federal National Mortgage Assoc.	5,072,054	5,026,405	4,978,654	4,923,889
Federal Home Loan Mortgage Corp.	3,825,504	3,791,074	3,755,059	3,713,753
Government National Mortgage Assoc.	1,887,489	1,870,501	1,852,731	1,832,351
Money Market Funds	1,469,494	1,469,494	1,469,494	1,469,494
Cash for operations	96,835	96,835	96,835	96,835
Petty cash	450	450	450	450
Total cash and investments	$12,437,478	$12,339,640	$12,237,297	$12,119,922

II. Detailed notes (continued)

C. Capital assets

Capital asset activity for the year ended December 31, 2010 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	98,698,960	1,323,612	(1,437,997)	98,584,575
Equipment	12,262,677	303,120	(274,981)	12,290,816
Total capital assets, being depreciated	110,961,637	1,626,732	(1,712,978)	110,875,391
Less: accumulated depreciation for:				
Buildings	(96,787,160)	(1,020,267)	1,259,879	(96,547,548)
Equipment	(10,705,904)	(1,613,442)	246,809	(12,072,537)
Total accumulated depreciation	(107,493,064)	(2,633,709)	1,506,688	(108,620,085)
Total capital assets, being depreciated, net	3,468,573	(1,006,977)	(206,290)	2,255,306
Total capital assets, net	$ 12,168,573	$(1,006,977)	$ (206,290)	$10,955,306

D. Expenses – Facilities Cost Credit

The Commission created the facilities cost credit in 1998 to assist the major Users with enhancing revenues and/or reducing event day cost of operations in the Metrodome. At the request of the Minnesota Vikings, the Commission foreborn 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 team. Facilities cost credit in 2010 for the Minnesota Vikings was $4,293,708.

E. Changes in long-term liabilities

Long-term compensated absences activity for the year ended December 31, 2010, was:

Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
$110,285	$216,691	$114,917	$212,059	$123,888

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, Saint 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, 2010 through June 30, 2010, the total required contribution rate was 9.5% and the employee and the employer each contributed 4.75%. For the period from July 1, 2010 through December 31, 2010, the total required contribution rate was 10%, and the employee and the employer each contributed 5%.

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

Year	Contributions
2008	$98,399
2009	113,766
2010	74,898

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. For the period from January 1, 2010 through June 30, 2010, the total required contribution rate was 10%, the employee had a required contribution rate of 4% and the employer had a required contribution rate of 6%. For the period from July 1, 2010 through December 31, 2010, the total required contribution rate was 11%, the employee has a required contribution rate of 5% and the employer has a required contribution rate of 6%.

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

Year	Contributions
2008	$3,733
2009	4,024
2010	3,881

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 2010. 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 2010. The other storage facility was used to store the Team's various items. This lease terminated on March 31, 2010, and lease expenses were $5,394 in 2010.

III. Other information (continued)

D. Implementation of accounting pronouncement

In Fiscal Year 2010 the Commission applied GASB Statement No. 42 titled "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries" due to the extraordinary event of the Metrodome roof collapse. This statement provides guidance for accounting and reporting impairment of capital assets and it clarifies and establishes accounting requirements for insurance recoveries. The roof collapse is not considered to be a permanent impairment.

1. Metrodome Roof Collapse and Restoration

On December 12, 2010 a combination of record snowfall and high winds led to the accumulation of large amounts of snow and ice on the Metrodome roof. The snow and ice slid across the roof and ruptured three roof panels which caused it to collapse. Subsequent to the initial collapse two additional roof panels ruptured. Due to the unsafe condition created by the excessive snow loads on several roof panels, the impossibility of safely re-inflating the roof, and the need to assess damage to the roof system, the Commission determined that the Metrodome was unsuitable for playing the two remaining home games for the Vikings 2010 football season which were scheduled for December 12, 2010 and December 20, 2010. All other December events that were scheduled after December 12, 2010 were canceled.

Remediation efforts began immediately to remove the unsafe ice and snow loads and stabilize the roof structure. A team of leading engineers who specialize in air-supported roof structures were hired to assess the extent of the roof damage and to evaluate all of the repair options. In February 2011 the Commission determined that as a result of the movement of snow and ice both during and after the roof collapse, the entire roof fabric membrane must be replaced. A contract with the original roof fabricator and roof restoration efforts began in March 2011 with a contractually required substantial completion date of August 1, 2011.

Insurance coverage for the Metrodome includes both property damage and business interruption. The property policies have a net deductible of $25,000. Property damage expenses that were incurred in 2010 were $569,337 and business interruption losses due to the cancellation of the remaining December 2010 events was $1,659,825. A receivable and an extraordinary item of $2,229,162 were recognized in the financial statements.

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 Ten Fiscal Years

	Fiscal Year									
	2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
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	$ 10,955,306
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	15,325,847
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	$ 26,281,153

Unaudited

Source: Commission Finance department

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 1.2**

Changes in Net Assets

Last Ten Fiscal Years

	Fiscal Year									
	2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
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	$ 8,211,352
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	4,810,211
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	5,289,046
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	940,332
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	295,458
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	80,588
Other	545,807	395,106	293,857	444,136	347,528	766,550	507,703	470,428	373,976	268,914
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	$ 19,895,901
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	4,509,914
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	1,238,429
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	4,293,708
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	2,465,130
Professional services	326,949	607,907	639,046	523,768	474,359	412,441	307,839	408,029	444,911	375,033
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	2,260,888
Audio-visual services	444,512	364,762	292,588	266,218	234,594	362,744	346,100	289,305	287,412	215,036
Travel and meetings	38,786	51,757	64,501	41,325	44,238	42,202	41,722	46,597	34,553	20,178
Supplies, repairs and maintenance	677,490	893,431	710,888	759,200	1,113,391	760,270	886,210	977,282	925,697	797,164
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	2,917,287
Insurance	293,153	412,099	610,687	559,440	539,870	481,715	551,483	457,344	483,024	495,053
Communications	156,880	76,288	94,144	80,670	75,092	87,055	93,603	98,353	87,763	70,378
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	354,426
Event costs	1,462,894	402,087	1,135,068	575,615	472,767	1,207,994	548,187	637,139	1,227,607	578,031
Marketing and advertising	-	336,569	241,479	418,810	484,334	446,771	364,589	342,337	309,837	154,701
Miscellaneous	1,015,804	328,511	232,401	143,368	163,011	205,557	218,059	198,565	69,989	76,855
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	2,633,710
Roof restoration costs	-	-	-	-	-	-	-	-	-	569,337
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	$ 24,025,258
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)	$ (4,129,357)
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	$ 722,829
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)	(206,289)
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	$ 516,540
Capital contributions	$ -	$ -	$ 3,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Extraordinary item - insurance recovery	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,229,162
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)	$ (1,383,655)

Unaudited

Source: Commission Finance department

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
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
2010	8,211,352	4,810,211	5,289,046	940,332	295,458	80,588	268,914

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)
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	2,881,812	149,795	45,811	7.8%
2010	2,881,812	149,795	45,811	6.9%

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 (2001-2002). 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)					
	2010			**2000**		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
State of Minnesota	54	1	3.12%	56	1	3.25%
Mayo Foundation	38	2	2.19	25	5	1.45
United States Federal Government	32	3	1.85	35	2	2.03
Target Corp.	28	4	1.62	32	3	1.86
University of Minnesota	25	5	1.44	31	4	1.80
Allina Health System	23	6	1.33	22	6	1.28
Fairview Health Services	21	7	1.21	18	8	1.04
Wal-Mart Stores Inc.	21	8	1.21	-	-	-
Wells Fargo Minnesota	20	9	1.15	15	10	0.87
3M Co.	14	10	0.81	19	7	1.10
Northwest Airlines Inc.	-	-	-	18	9	1.04
Total	276		15.93%	271		15.72%

Unaudited

Source: Metropolitan Council Comprehensive Annual Financial Report-Twin Cities Business B.I.G. Book, 2010 and City Business-The Business Journal Book of Lists 2001-02.

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

METROPOLITAN SPORTS FACILITIES COMMISSION **Table 4.1**
Full-Time Employees by Department
Last Nine 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
2010	6	-	11	3	-	20

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
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	#REF!
2008	#REF!
2009	#REF!
2010	809,509

Unaudited

Source: Commission Finance department

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

December 31, 2010

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

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