

Maricopa County Stadium District

A Component Unit of Maricopa County, Arizona



Comprehensive Annual Financial Report

Fiscal Year Ended
June 30,
2014



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**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)**

MARICOPA COUNTY, ARIZONA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2014

Issued by:

Finance Department

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**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2014**

INTRODUCTORY SECTION

| | |
|-----------------------------|---|
| LETTER OF TRANSMITTAL | 1 |
| GFOA CERTIFICATE | 5 |
| ORGANIZATIONAL CHART | 6 |
| LIST OF PRINCIPAL OFFICIALS | 7 |

FINANCIAL SECTION

| | |
|--|----|
| INDEPENDENT AUDITORS' REPORT | 8 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| MANAGEMENT'S DISCUSSION AND ANALYSIS | 11 |
| BASIC FINANCIAL STATEMENTS | |
| STATEMENT OF NET POSITION | 20 |
| STATEMENT OF ACTIVITIES | 21 |
| BALANCE SHEET – GOVERNMENTAL FUNDS | 22 |
| RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION | 24 |
| STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS | 25 |
| RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES | 27 |
| NOTES TO BASIC FINANCIAL STATEMENTS | 28 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CHASE FIELD GENERAL FUND | 42 |
| SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CACTUS LEAGUE SPECIAL REVENUE FUND | 43 |
| NOTE TO REQUIRED SUPPLEMENTARY INFORMATION | 44 |
| SUPPLEMENTARY INFORMATION – BUDGET TO ACTUAL STATEMENTS – OTHER MAJOR GOVERNMENTAL FUNDS | |
| SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – DEBT SERVICE FUND | 45 |
| SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – CHASE FIELD CAPITAL PROJECTS RESERVE FUND | 46 |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014**

STATISTICAL SECTION (UNAUDITED)

FINANCIAL TRENDS

| | |
|--|----|
| NET POSITION BY COMPONENT | 47 |
| CHANGES IN NET POSITION | 49 |
| REVENUES BY SOURCE – GOVERNMENTAL FUNDS | 51 |
| FUND BALANCES OF GOVERNMENTAL FUNDS | 53 |
| CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS | 55 |
| SELECTED CHARTS | 57 |

REVENUE CAPACITY

| | |
|------------------------|----|
| TAX REVENUES BY SOURCE | 59 |
|------------------------|----|

DEBT CAPACITY

| | |
|--------------------------|----|
| PLEDGED REVENUE COVERAGE | 60 |
| TOTAL DEBT | 61 |

DEMOGRAPHIC AND ECONOMIC INFORMATION

| | |
|-------------------------------------|----|
| ARIZONA DIAMONDBACKS ATTENDANCE | 62 |
| CACTUS LEAGUE ATTENDANCE | 63 |
| DEMOGRAPHIC AND ECONOMIC STATISTICS | 65 |
| PRINCIPAL EMPLOYERS | 66 |

OPERATING INFORMATION

| | |
|--|----|
| FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION | 67 |
| OPERATING INDICATORS BY FUNCTION | 68 |

INTRODUCTORY SECTION

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September 12, 2014

The Honorable Maricopa County Stadium District Board of Directors:

It is our pleasure to submit to you the Comprehensive Annual Financial Report of the Maricopa County Stadium District (Stadium District) for the year ended June 30, 2014 in accordance with Arizona Revised Statutes (ARS) §48-4231.D. The Statute requires that the Stadium District receive an independent financial audit of the accounts and records of the Stadium District within 120 days of the June 30 fiscal year end.

CliftonLarsonAllen, LLP, a certified public accounting firm, has audited the Stadium District's financial statements for the year ended June 30, 2014 and issued an unmodified ("clean") opinion. The audit was conducted in accordance with U.S. generally accepted governmental auditing standards; the Independent Auditors' Report is located at the front of the financial section of this report.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. Management of the Stadium District has established a comprehensive internal control framework that is designed both to protect the Stadium District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Stadium District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the Stadium District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from any material misstatement.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and 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 DISTRICT

The Stadium District was formed in accordance with ARS §48-4202.A. through action of the Maricopa County Board of Supervisors in September 1991. The Stadium District has a Board of Directors consisting of the five members of the Maricopa County Board of Supervisors. The County Manager serves as the Executive Director of the Stadium District. The Stadium District is located in the central portion of the State of Arizona and has the same boundaries as Maricopa County. The District's boundaries encompass the Greater Metropolitan Phoenix (GMPA) area. The GMPA includes the cities of Phoenix, Tempe, Mesa, Scottsdale, Glendale, Peoria, Goodyear, Surprise, Chandler and the town of Paradise Valley. The Stadium District is staffed with three staff members and the Executive Director Representative as shown on the List of Principal Officials.

From the Stadium District's inception through 1996, the Stadium District provided funds for building or renovating seven Cactus League baseball spring training facilities. On February 17, 1994, the Stadium District entered into an agreement with the Arizona Professional Baseball Team Limited Partnership to finance a portion of the acquisition cost and construction for a new major league baseball stadium currently known as Chase Field.

The Stadium District owns Chase Field, home of the Arizona Diamondbacks, which opened in 1998 under the name Bank One Ballpark. Bank One was bought by JPMorgan Chase. In the fall of 2005, the name of the ballpark was changed to Chase Field.

The Stadium District is a blended component unit of Maricopa County. The Stadium District's financial information is included in the Maricopa County Comprehensive Annual Financial Report.

The annual operating budget serves as the foundation for the Stadium District's financial planning and control. The Stadium District is required by ARS §48-4232 to annually prepare and adopt a balanced budget. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual operating budget approved by the Board of Directors not later than June 30 each year. Arizona law further requires that no expenditure shall be made or liability incurred in excess of the amounts budgeted except as provided by law, however, expenditures can be transferred between line items within a fund without seeking Board approval. The level at which expenditures may not legally exceed appropriations is the fund level; however, the Board of Directors may amend the budget upon a finding of good cause.

A schedule of revenues, expenditures and changes in fund balance (budget and actual) is provided in this report for the Chase Field General Fund, Cactus League Special Revenue Fund, Debt Service Fund, and Chase Field Capital Projects Reserve Fund.

ECONOMIC CONDITION

Maricopa County Stadium District's primary revenue source for Stadium District operations and capital maintenance of Chase Field is the use of Chase Field. The Stadium District generates revenue through use agreements with the Arizona Diamondbacks and the Stadium District's Booking Manager, Select Artists' Associates/SMG. These agreements provide base levels of revenue plus additional revenues which increase/decrease with ticket prices or attendance. Fiscal year 2014 saw a 2.86% increase in revenues from the Arizona Diamondbacks resulting from a 4.63% ticket price increase along with a 2% decline in attendance.

Maricopa County Stadium District's primary revenue source for Cactus League purposes and Bond repayment is the Auto Rental Surcharge of \$2.50 per rental car contract. This revenue is dependent entirely on the number of autos rented within the Stadium District boundaries (Maricopa County). Fiscal year 2014 saw a 3.4% increase in Car Rental Surcharge revenue which can be tied to the increase in employment in the Leisure and Hospitality industry and the increase in deplanements at Sky Harbor Airport. According to the May, 2014 Arizona Department of Administration Office of Employment and Population Statistics reports "during the two-year forecast time period of 2014 and 2015 the Leisure & Hospitality sector will grow at a rate of 6.8%". Phoenix Sky Harbor Airport Statistics showed deplanements for FY 2013/2014 were 1.3% greater than FY 2012/13. The Arizona Department of Administration Office of Employment and Population Statistics states that "A tighter fiscal environment is expected to limit business and recreational related travel. However, domestic and international tourism is projected to bolster employment in the Leisure and Hospitality sector". Based on the forecast referred to previously it is expected that Auto Rental Surcharge revenue will continue to increase at a slow and steady pace during fiscal year 2015.

The Stadium District revenues are impacted by the contracts with the Arizona Diamondbacks and Stadium District Booking Manager as well as visitors to the Valley who are renting autos. As noted above, the contracts for use of the Stadium are based on fixed amounts with increases/decreases based on ticket prices and attendance. Because of the slowly growing economy these revenues were budgeted conservatively for fiscal 2015.

Chase Field is a cornerstone of downtown Phoenix. The building of the ballpark was one of the catalysts for revitalization of the downtown area. The Downtown area continues to see an influx of many unique and diverse restaurants.

The Stadium District can handle multi-sized events such as meetings, trade shows, banquets and concerts drawing 40,000+ attendees. The Stadium District has been used for such events as holiday parties by local corporations, galas by organizations hosting conferences at the Phoenix Convention Center and graduations hosted by local universities and colleges. Revenue generated by these events is used to make capital repairs and improvements to the ballpark and for Stadium District operations.

FINANCIAL POLICIES

It is the Board of Directors' strategic goal to establish a fiscally prudent, balanced budget annually. This goal is evidenced in the consistency of the Stadium District's budget from year-to-year. Generally about 5% of the Stadium District's budget is for operations such as staffing.

Changes to the Stadium District budget from year to year are the result of major maintenance or capital projects which vary depending on the needs of the Stadium. A major portion of the budget is committed to payments on the outstanding bonds which were used to fund Cactus League facilities.

The construction of the ballpark was primarily funded by a $\frac{1}{4}$ of 1 percent sales tax which ended in November 1997, five months prior to the opening of the ballpark. Since that time, all Stadium District operations, major maintenance projects and capital improvements to the facility have been funded through charges for use of the ballpark. It is anticipated that all future capital repairs or improvements will be funded through charges for use of the ballpark.

Long-Term Financial Planning

As owner of Chase Field, the Stadium District's strategic plan focuses on the use and capital needs of the ballpark. The Stadium District's goals include increasing the use of the ballpark as well as generating revenue to build the necessary reserves for future capital improvements to the ballpark. The Stadium District is in a unique position compared to many public stadiums; the Stadium District has no outstanding debt from the initial construction of the stadium. The Stadium District is now focused on funding financial reserves for future capital needs of the stadium and capital improvements to remain a state-of-the-art facility to accommodate future world class national and international sports or championship events.

Revenue in the Chase Field General Fund is based on long-term agreements with the Arizona Diamondbacks and from Stadium District Events held at the ballpark. The majority of revenues from the Team agreements are fixed amounts with inflationary/deflationary factors tied to ticket prices as well as a small portion based on baseball game attendance. Ticket prices for the 2014 season increased by 2.90%. A significant portion of the revenue from the 2014 season will be received by the Stadium District in December 2014 based on current agreements with the Arizona Diamondbacks. In addition, the booking manager for the Stadium District has entered into several multi-year agreements for events to be held at Chase Field.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Maricopa County Stadium District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. This was the tenth consecutive year that the Stadium District has achieved this nationally prestigious award from GFOA. In order to be awarded a Certificate of Achievement, the Stadium District had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that 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 a 2014 certificate.

The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated services of the entire Stadium District staff that assisted and contributed in its preparation. We also wish to express our sincere appreciation to the Board of Directors for their support in planning and overseeing the financial operations of the Stadium District in a responsible and progressive manner.

Respectfully submitted,



Daren K. Frank
Executive Director Representative



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

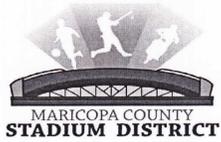
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**Maricopa County Stadium District
Arizona**

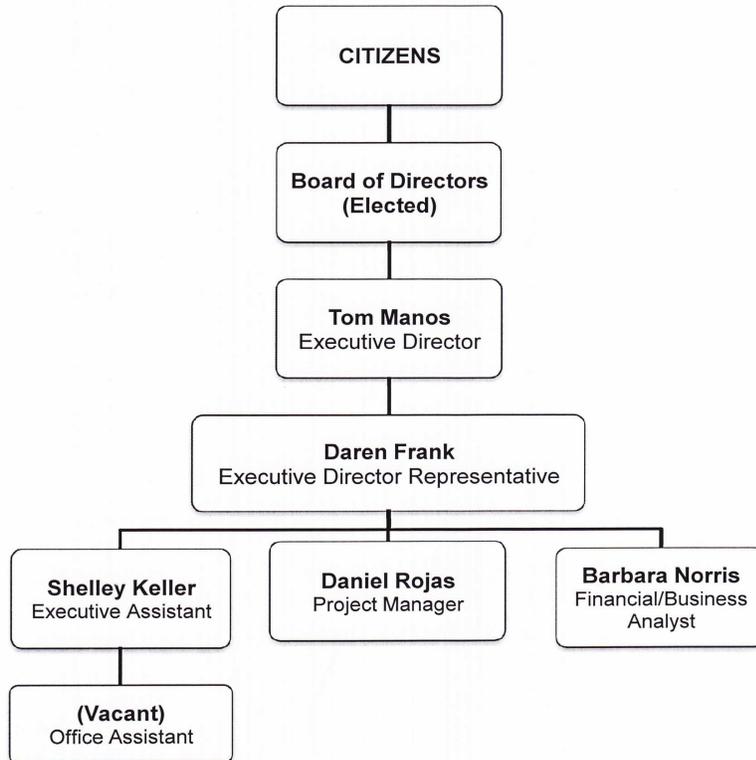
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO



Maricopa County Stadium District Chase Field



**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2014**

Board of Directors

Chairman Denny Barney, District 1
Secretary/Director Steve Chucri, District 2
Director Andrew Kunasek, District 3
Director Clint L. Hickman, District 4
Director Marie Lopez Rogers, District 5

Appointed Officials

Executive Director Tom Manos

Staff

Executive Director Representative Daren Frank
Executive Assistant Shelley Keller
Project Manager Daniel Rojas
Financial/Business Analyst Barbara Norris
Office Assistant Vacant

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Maricopa County Stadium District
Phoenix, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Maricopa County Stadium District (District) (a component unit of Maricopa County), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Maricopa County Stadium District as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budget to actual statements for the General Fund and major special revenue funds on pages 11 - 19 and pages 42 - 44 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Stadium District's basic financial statements. The supplementary budget to actual statements for other major governmental funds and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary budget to actual statements for other major governmental funds is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 supplementary budget to actual statements for other major governmental funds is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Board of Directors
Maricopa County Stadium District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2014, on our consideration of the Maricopa County Stadium District'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 result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Phoenix, Arizona
September 12, 2014

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REQUIRED SUPPLEMENTARY INFORMATION

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**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

This section of the Maricopa County Stadium District's (Stadium District) financial report presents a discussion and analysis of the Stadium District's financial performance during the fiscal year ended June 30, 2014. Please read it in conjunction with the Stadium District's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- ◆ The assets of the Stadium District exceeded liabilities at the close of fiscal year ending June 30, 2014 by \$272.6 million (net position). Of this amount, \$268.5 million is invested in capital assets, \$16.1 million is restricted, and unrestricted net position had a deficit balance of \$12.0 million.
- ◆ The Stadium District's total net position decreased by \$4.7 million primarily due to maintenance on the Stadium and an increase in contractual payments made to the Arizona Sports and Tourism Authority (AZTSA).
- ◆ The Stadium District's total long-term debt decreased by \$8.9 million in comparison with the prior year. During fiscal year 2014 the Stadium District paid off the remaining \$5.7 million of commitments payable with the team. The remaining \$3.2 million of the decrease was due to principal payments on the Revenue Refunding Series, 2012 Bonds.
- ◆ As of June 30, 2014, the governmental funds reported combined fund balances of \$23.2 million, a decrease of \$5.0 million in comparison with the prior year. Of the combined fund balance, \$4.6 million is restricted for Cactus League purposes, \$4.4 million is restricted to fund Cactus League debt service and \$7.1 million is restricted to fund future capital improvements to Chase Field.
- ◆ At the end of the fiscal year, unassigned fund balance for the Chase Field General Fund was \$7.1 million, or 514% of total General Fund expenditures. Although the restricted fund balance in the Debt Service and Chase Field Capital Projects Reserve funds would be used to pay expenditures of these funds; when compared to total expenditures, the unassigned Chase Field General Fund fund's balance is 45% of total governmental expenditures during the current fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Stadium District's basic financial statements. The Stadium District's basic financial statements comprise three components 1) Government-wide financial statements; 2) Fund financial statements; and 3) Notes to the financial statements. Required Supplementary Information is included in addition to the basic financial statements.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

Government-Wide Financial Statements

Government-wide Financial Statements are designed to provide readers with a broad overview of the Stadium District's finances, in a manner similar to private-sector business. The accrual basis of accounting is used for the government-wide financial statements.

The statement of net position presents information on all Stadium District assets, deferred outflows, liabilities, and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Stadium District is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the Stadium District that are principally supported by Chase Field operations and auto rental surcharge revenues (governmental activities). The governmental activity of the Stadium District is culture and recreation. The Stadium District has no business-type activities.

The Stadium District is a blended component unit of Maricopa County and is included as such in the County's Comprehensive Annual Financial Report.

The Stadium District has no component units.

Fund Financial Statements

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Stadium District, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the Stadium District are governmental funds.

- ◆ *Governmental Funds* – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements use the modified accrual basis of accounting and focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Stadium District's near-term financing requirements.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Stadium District maintains four individual governmental funds, all of which are reported as major funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the Chase Field General Fund, Cactus League Special Revenue Fund, Debt Service Fund, and Chase Field Capital Projects Reserve Fund.

The Stadium District has no proprietary or fiduciary funds.

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Required Supplementary Information

Required supplementary information is presented concerning the Stadium District's Chase Field General Fund and Cactus League Special Revenue Fund budgetary schedules. The Debt Service Fund and Chase Field Capital Projects Reserve Fund budgetary schedules are presented as other supplementary information. Budgetary comparison schedules have been provided to demonstrate compliance with the budgets.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Stadium District, assets exceeded liabilities by \$272.6 million at the close of the current fiscal year.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

The following table reflects the condensed statement of net position as of June 30, 2014 and 2013.

**Table A-1
Condensed Statement of Net Position**

| | 2014 | 2013 | Percent Change |
|--------------------------------------|-----------------------|-----------------------|-------------------|
| Assets | | | |
| Current and Other Assets | \$ 23,338,706 | \$ 28,293,515 | -17.51% |
| Capital Assets: | | | |
| Non-depreciable | 35,608,005 | 35,608,005 | 0.00% |
| Depreciable (net) | 232,917,156 | 241,484,962 | -3.55% |
| Total Assets | <u>291,863,867</u> | <u>305,386,482</u> | -4.43% |
| Deferred Outflow of Resources | | | |
| Deferred Amount on Refunding | 251,438 | 301,725 | -16.67% |
| Liabilities | | | |
| Other Liabilities | 215,908 | 171,338 | 26.01% |
| Long-Term Liabilities: | | | |
| Due Within One Year | 3,272,002 | 4,400,863 | -25.65% |
| Due in More Than One Year | 16,025,773 | 23,775,650 | -32.60% |
| Total Liabilities | <u>19,513,683</u> | <u>28,347,851</u> | -31.16% |
| Net Position | | | |
| Net Investment in Capital Assets | 268,525,161 | 271,386,110 | -1.05% |
| Restricted | 16,077,822 | 17,624,621 | -8.78% |
| Unrestricted | (12,001,361) | (11,670,375) | 2.84% |
| Total Net Position | <u>\$ 272,601,622</u> | <u>\$ 277,340,356</u> | -1.71% |

By far the largest portion of the Stadium District's net position reflects its investment in capital assets, mainly Chase Field. The restricted net position represents net position restricted for Cactus League operations, debt service and capital outlay. The deficit balance for unrestricted net position is a result of the long-term bonds issued for Cactus League facilities while ownership of these facilities lies with the local government, rather than the Stadium District. Therefore the Stadium District statements show the liability for the long-term bonds issued, but not the asset constructed with the bond proceeds. The entire amount of debt to be repaid over time is presented on the Statement of Net Position, while the revenue to repay the debt, from auto rental surcharge collections, will be presented on the Statement of Activities in the year it is collected.

The Stadium District uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. The Stadium District's investment in its capital assets is reported net of related debt; however, the Stadium District does not report any related debt.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

The decrease of \$4.7 million in Stadium District net position is primarily due to repair and maintenance projects.

The following table indicates the changes in net position for governmental activities for the fiscal years ended June 30, 2014 and 2013.

**Table A-2
Condensed Statement of Activities**

| | <u>2014</u> | <u>2013</u> | <u>Percent Change</u> |
|-----------------------------------|-----------------------|-----------------------|---------------------------|
| REVENUES | | | |
| Program Revenues: | | | |
| Charges for Services | \$ 4,513,842 | \$ 4,385,236 | 2.93% |
| Capital Grants and Contributions | 794,821 | 801,945 | -0.89% |
| General Revenues: | | | |
| Auto Surcharge Tax | 5,394,706 | 5,217,411 | 3.40% |
| Sales Tax | - | 42 | -100.00% |
| Investment Earnings | 56,819 | 145,657 | -60.99% |
| Other | 75,000 | 694,072 | -89.19% |
| Total Revenues | <u>10,835,188</u> | <u>11,244,363</u> | -3.64% |
| EXPENSES | | | |
| Culture and Recreation | 15,016,795 | 11,607,960 | 29.37% |
| Interest on Long-Term Debt | 557,127 | 564,693 | -1.34% |
| Total Expenses | <u>15,573,922</u> | <u>12,172,653</u> | 27.94% |
| CHANGE IN NET POSITION | (4,738,734) | (928,290) | -410.48% |
| Net Position - Beginning of Year | <u>277,340,356</u> | <u>278,268,646</u> | -0.33% |
| NET POSITION - END OF YEAR | <u>\$ 272,601,622</u> | <u>\$ 277,340,356</u> | -1.71% |

Total revenues decreased \$389,175 or 3.6%.

- ◆ Charges for services increased by \$128,606 or 2.9% primarily as a result of increased ticket pricing and fees charged for home games.
- ◆ Auto surcharge taxes increased \$177,295 or 3.4% due to an increase in the overall economy which has lead to more auto rental fees in the area.
- ◆ Investment earnings decreased by \$88,838 or 61.0% as a result of the interest received in FY 2013 from the advance refunding of the Revenue Refunding Series, 2002 Bonds which included an investment agreement with an interest rate of 4.57%. The advance refunding of the Revenue Refunding Series, 2002 Bonds along with the issuance of the Revenue Refunding Series, 2012 Bonds effectively lowered the investment earnings.
- ◆ Other revenues decreased by \$619,072 or 89.2% primarily as a result of a one-time \$688,388 municipal derivative settlement relating to the Revenue Refunding Bonds, Series 2002, that was received in the prior year.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

Total expenses increased \$3.4 million, or 28.0%.

- ◆ Culture and recreation expenses increased by \$3.4 million, or 29.4%, primarily as a result of a contractual payment to the Arizona Sports and Tourism Authority (AZSTA) of \$1.5 million and an increase in repair and maintenance projects. The payment to AZSTA was a direct result of the issuance of the Revenue Refunding Series, 2012 Bonds and the advance refunding of the Revenue Refunding Series, 2002 Bonds which reduced the debt service payment allowing for the auto rental surcharge and interest revenues to exceed the bond payments for the year.

FINANCIAL ANALYSIS OF THE STADIUM DISTRICT'S FUNDS

As noted earlier, the Stadium District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The general government functions are contained in the Chase Field General, Cactus League Special Revenue, Debt Service, and Chase Field Capital Project Reserve Funds. The focus of the Stadium District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Stadium District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Chase Field General Fund is the chief operating fund of the Stadium District. At the end of the current fiscal year, total fund balance was \$7.1 million. As a measure of liquidity, it may be useful to compare fund balance to total fund expenditures. Unassigned fund balance represents 510% of total Chase Field General Fund expenditures.

The fund balance of the Stadium District's Chase Field General Fund decreased by \$3.5 million during the current fiscal year. This decrease was due to the Stadium District paying off the entire remaining balance on the commitments payable with the Arizona Diamondbacks.

The Cactus League Special Revenue Fund balance increased by \$125,901 during the current fiscal year. This increase resulted primarily from the increase in auto rental surcharge tax collected.

The Debt Service Fund balance increased by \$41,135. This change was not material to the Debt Service Fund.

The Chase Field Capital Projects Reserve Fund balance decreased \$1.7 million. This decrease was primarily due to an increase in budgeted repair and maintenance projects incurred during FY 2014.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

The following table indicates the changes in fund balance for governmental funds for the fiscal year ended June 30, 2014.

**Table A-3
Fund Balances**

| Fund | Balance | Increase (Decrease) From 2012-13 |
|---|--------------|--|
| Chase Field General Fund | \$ 7,081,570 | \$ (3,458,622) |
| Cactus League Special Revenue Fund | 4,556,371 | 125,901 |
| Debt Service Fund | 4,401,309 | 41,135 |
| Chase Field Capital Projects Reserve Fund | 7,120,142 | (1,713,835) |

BUDGETARY HIGHLIGHTS

A schedule showing the original and final budget amounts compared to the Stadium District's actual financial activity for the Chase Field General Fund is provided in this report as required supplementary information. The difference between the original budget and the final amended budget for the General Fund came about as a result of an increase in contractual fees for protective services at Chase Field in the amount of \$57,957 and the payment of the outstanding commitments payable of \$5,706,857.

The favorable variance of \$1,303,601 in transfers out between the final budget and actual resulted from \$1,200,000 budgeted to pay on the commitments payable but was not used and \$103,601 of a budgeted transfer to another Fund that did not occur.

CAPITAL ASSETS

The Stadium District's investment in capital assets for its governmental activities at year end amounted to \$268.5 million. This investment in capital assets includes land, buildings and improvements, and machinery and equipment. The total decrease in the Stadium District's investment in capital assets for the current period was 3.1%, primarily due to depreciation expense incurred in the current year and no capital asset additions.

Capital assets for the governmental activities are presented below to illustrate changes from the prior year.

**Table A-4
Capital Assets
(Net of Accumulated Depreciation)**

| | 2014 | 2013 | Percent Change |
|----------------------------|-----------------------|-----------------------|-------------------|
| Land | \$ 35,608,005 | \$ 35,608,005 | 0.00% |
| Buildings and Improvements | 224,009,772 | 230,852,410 | -2.96% |
| Machinery and Equipment | 8,907,384 | 10,632,552 | -16.23% |
| Total Capital Assets | <u>\$ 268,525,161</u> | <u>\$ 277,092,967</u> | -3.09% |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

Additional information on the Stadium District's capital assets can be found in the notes to the financial statements, Note 5.

LONG-TERM DEBT ACTIVITY

At the fiscal year ended June 30, 2014, the Stadium District had total long-term debt outstanding of \$19.3 million as compared to \$28.1 million in the prior fiscal year. This amount is comprised of the 2012 Revenue Refunding Bonds outstanding of \$19.3 million.

At the fiscal year ended June 30, 2014, the Stadium District paid off the remaining balance on the commitments payable of \$5,706,857 with the team.

The 2012 Revenue Refunding Bonds are revenue bonds backed by the auto rental surcharge revenue. The 2012 Revenue Refunding Bonds were issued to refund all outstanding Cactus League debt in order to take advantage of favorable interest rates. For additional information, see the notes to the financial statements Note 7.

**Table A-5
Outstanding Long-term Debt**

| | 2014 | 2013 |
|-------------------------|---------------|---------------|
| Revenue Refunding Bonds | \$ 19,260,000 | \$ 22,440,000 |
| Commitments Payable | - | 5,706,857 |
| Total Outstanding Debt | \$ 19,260,000 | \$ 28,146,857 |

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- ◆ As a result of the slow but steady improvement in the economy, Auto Rental Surcharge revenue for FY 2014-2015 budget year has been set conservatively at the FY 2014 level. Many of the Stadium District's revenues are related to use agreements, as opposed to property or sales taxes; therefore, operating revenues are expected to modestly increase.
- ◆ Baseball ticket prices increased by 2.9% for the 2014 season. Many of the revenue sources that the Stadium District receives from the Diamondbacks are based on increases/decreases in ticket prices. A significant portion of the revenue from the 2014 season will be received by the Stadium District in December 2014. Based upon the modest increase in ticket prices as well as the forecasted slow but steady improvement in the economy, revenues from the Diamondbacks has been budgeted conservatively.
- ◆ To remain competitive with other venues in the area and present the ballpark as a state-of-the-art facility, the District has budgeted \$2,000,000 for major maintenance projects to take place during Fiscal Year 2015.

All of these factors were considered in preparing the Stadium District's budget for fiscal year 2014-15. The 2014-15 revenue budget is essentially the same as the 2014-15 budget with the exception of a modest increase in revenue related to ticket pricing and fees of \$65,822.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Stadium District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Maricopa County Stadium District, 401 E. Jefferson, Phoenix, AZ 85004.

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BASIC FINANCIAL STATEMENTS

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
STATEMENT OF NET POSITION
JUNE 30, 2014**

| | Governmental Activities |
|--|----------------------------|
| ASSETS | |
| Cash and Investments | \$ 11,615,658 |
| Cash and Investments Held by Trustee | 10,770,071 |
| Accounts Receivable | 952,977 |
| Capital Assets: | |
| Non-Depreciable | 35,608,005 |
| Depreciable (Net) | 232,917,156 |
| Total Assets | 291,863,867 |
| DEFERRED OUTFLOW OF RESOURCES | |
| Deferred Amount on Refunding | 251,438 |
| LIABILITIES | |
| Accounts Payable | 170,841 |
| Accrued Wages and Benefits | 8,473 |
| Interest Payable | 36,594 |
| Noncurrent Liabilities: | |
| Due Within One Year | 3,272,002 |
| Due in More Than One Year | 16,025,773 |
| Total Liabilities | 19,513,683 |
| NET POSITION | |
| Net Investment in Capital Assets | 268,525,161 |
| Restricted for: | |
| Cactus League Operations | 4,556,371 |
| Debt Service | 4,401,309 |
| Capital Outlay | 7,120,142 |
| Unrestricted | (12,001,361) |
| Total Net Position | \$ 272,601,622 |

See accompanying Notes to Basic Financial Statements.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|-------------------------------|---------------|--|--|--|--|
| | | Fees, Fines and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
| Governmental Activities: | | | | | |
| Culture and Recreation | \$ 15,016,795 | \$ 4,513,842 | \$ - | \$ 794,821 | \$ (9,708,132) |
| Interest and Fiscal Charges | 557,127 | - | - | - | (557,127) |
| Total Governmental Activities | \$ 15,573,922 | \$ 4,513,842 | \$ - | \$ 794,821 | (10,265,259) |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Auto Rental Surcharge | | | | | 5,394,706 |
| Other Income | | | | | 75,000 |
| Investment Earnings | | | | | 56,819 |
| Total General Revenues | | | | | 5,526,525 |
| Change in Net Position | | | | | (4,738,734) |
| Net Position - Beginning | | | | | 277,340,356 |
| Net Position - Ending | | | | | \$ 272,601,622 |

See accompanying Notes to Basic Financial Statements.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014**

| | Chase Field General Fund | Cactus League Special Revenue Fund | Debt Service Fund |
|--------------------------------------|-----------------------------|--|----------------------|
| ASSETS | | | |
| Cash and Investments | \$ 7,056,211 | \$ 4,553,184 | \$ 1,006 |
| Cash and Investments Held by Trustee | - | - | 3,535,430 |
| Accounts Receivable | 83,917 | 4,187 | 864,873 |
| Total Assets | \$ 7,140,128 | \$ 4,557,371 | \$ 4,401,309 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts Payable | \$ 50,085 | \$ 1,000 | \$ - |
| Accrued Wages and Benefits | 8,473 | - | - |
| Total Liabilities | 58,558 | 1,000 | - |
| Fund Balances: | | | |
| Restricted for: | | | |
| Cactus League Operations | - | 4,556,371 | - |
| Debt Service | - | - | 4,401,309 |
| Capital Projects | - | - | - |
| Unassigned | 7,081,570 | - | - |
| Total Fund Balances | 7,081,570 | 4,556,371 | 4,401,309 |
| Total Liabilities and Fund Balances | \$ 7,140,128 | \$ 4,557,371 | \$ 4,401,309 |

| <u>Chase Field Capital Projects Reserve Fund</u> | <u>Total Governmental Funds</u> |
|--|---|
| \$ 5,257 | \$ 11,615,658 |
| 7,234,641 | 10,770,071 |
| - | 952,977 |
| <u>\$ 7,239,898</u> | <u>\$ 23,338,706</u> |

| | |
|----------------|----------------|
| \$ 119,756 | \$ 170,841 |
| - | 8,473 |
| <u>119,756</u> | <u>179,314</u> |

| | |
|---------------------|----------------------|
| - | 4,556,371 |
| - | 4,401,309 |
| 7,120,142 | 7,120,142 |
| - | 7,081,570 |
| <u>7,120,142</u> | <u>23,159,392</u> |
| <u>\$ 7,239,898</u> | <u>\$ 23,338,706</u> |

See accompanying Notes to Basic Financial Statements.

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**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014**

Total Fund Balances for Governmental Funds \$ 23,159,392

Amounts reported for governmental activities in the statement of activities are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

| | |
|--|---------------|
| Governmental Capital Assets | 387,621,516 |
| Less Accumulated Depreciation | (119,096,355) |
| Capital Assets Used in Governmental Activities | 268,525,161 |

Long term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

| | |
|------------------------------|--------------|
| Bonds Payable | (19,260,000) |
| Deferred Amount on Refunding | 251,438 |
| Interest Payable | (36,594) |
| Compensated Absences | (37,775) |
| | (19,382,931) |

| | |
|---|----------------|
| Total Net Position of Governmental Activities | \$ 272,601,622 |
|---|----------------|

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014**

| | <u>Chase Field General Fund</u> | <u>Cactus League Special Revenue Fund</u> | <u>Debt Service Fund</u> |
|---|-------------------------------------|---|------------------------------|
| REVENUES | | | |
| Auto Rental Surcharge Tax | \$ - | \$ 1,661,196 | \$ 3,733,510 |
| Chase Field Operations | 4,513,842 | - | - |
| Investment Earnings | 29,427 | 26,754 | 507 |
| Other | 75,000 | - | - |
| Total Revenues | <u>4,618,269</u> | <u>1,687,950</u> | <u>3,734,017</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Culture and Recreation | 1,378,297 | 1,562,049 | - |
| Debt Service: | | | |
| Principal Retirement | - | - | 8,886,857 |
| Interest on Long-Term Debt | - | - | 511,632 |
| Fiscal Charges | - | - | 1,250 |
| Total Expenditures | <u>1,378,297</u> | <u>1,562,049</u> | <u>9,399,739</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 3,239,972 | 125,901 | (5,665,722) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | - | - | 5,706,857 |
| Transfers Out | (6,698,594) | - | - |
| Total Other Financing Sources (Uses) | <u>(6,698,594)</u> | <u>-</u> | <u>5,706,857</u> |
| Net Change in Fund Balances | (3,458,622) | 125,901 | 41,135 |
| FUND BALANCES | | | |
| Beginning of Year | 10,540,192 | 4,430,470 | 4,360,174 |
| End of Year | <u>\$ 7,081,570</u> | <u>\$ 4,556,371</u> | <u>\$ 4,401,309</u> |

| <u>Chase Field Capital Projects Reserve Fund</u> | <u>Total Governmental Funds</u> |
|--|---|
| \$ - | \$ 5,394,706 |
| 794,821 | 5,308,663 |
| 131 | 56,819 |
| - | 75,000 |
| 794,952 | 10,835,188 |
| | |
| 3,500,524 | 6,440,870 |
| - | 8,886,857 |
| - | 511,632 |
| - | 1,250 |
| 3,500,524 | 15,840,609 |
| | |
| (2,705,572) | (5,005,421) |
| | |
| 991,737 | 6,698,594 |
| - | (6,698,594) |
| 991,737 | - |
| | |
| (1,713,835) | (5,005,421) |
| | |
| 8,833,977 | 28,164,813 |
| \$ 7,120,142 | \$ 23,159,392 |

See accompanying Notes to Basic Financial Statements.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014**

Net Change in Fund Balances of Governmental Funds \$ (5,005,421)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation Expense (8,567,806)

The issuance of long term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, and similar items when the debt is first issued, whereas these items are deferred and amortized over the term of the long term debt in the statement of activities.

| | |
|---|-----------|
| Principal Payments on Revenue Refunding Bonds | 3,180,000 |
| Principal Payments on Commitments Payable | 5,706,857 |
| Amortization of Deferred Amounts on Refunding | (50,287) |
| Accrued Interest | 6,042 |

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

| | |
|---|------------------------------|
| Net Increase in Compensated Absences | (8,119) |
| Change in Net Position of Governmental Activities | <u><u>\$ (4,738,734)</u></u> |

NOTES TO BASIC FINANCIAL STATEMENTS

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**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Stadium District is a blended component unit of Maricopa County. Component units are legally separate entities for which the County is considered to be financially accountable.

The Stadium District was formed through action of the Maricopa County Board of Supervisors in September 1991 pursuant to Title 48, Chapter 26, Arizona Revised Statutes (the "Act"). The Stadium District and the County have the same boundaries. The Stadium District may acquire land and construct, finance, furnish, maintain, improve, operate, market and promote the use of existing or proposed major league baseball spring training facilities or stadiums and other structures, utilities, roads, parking areas or buildings necessary for full use of the training facilities or stadiums for sports and other purposes. The Stadium District has authority to issue special obligation bonds for this purpose.

The Stadium District has a Board of Directors consisting of the five members of the Maricopa County (the "County") Board of Supervisors, with the County Manager serving as the Executive Director of the Stadium District.

From the Stadium District's inception through 1996, the Stadium District provided funds for building or renovating seven Cactus League facilities within the County. Fifteen major league baseball teams hold spring training games in the County as part of the Cactus League: California Angels, Chicago Cubs, Milwaukee Brewers, Oakland Athletics, San Diego Padres, San Francisco Giants, Seattle Mariners, Arizona Diamondbacks, Chicago White Sox, Colorado Rockies, Kansas City Royals, Texas Rangers, Los Angeles Dodgers, Cleveland Indians, and Cincinnati Reds.

The Stadium District owns Chase Field, home of the Arizona Diamondbacks, which opened in 1998. On February 17, 1994, the Stadium District entered into an agreement with the Arizona Professional Baseball Team Limited Partnership (the "Team") to provide for the financing of a portion of the costs of acquisition and construction of a new major league baseball stadium.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the Stadium District as a whole. The reported information includes all of the activities of the Stadium District. For the most part, the effect of internal activity has been removed from these statements. These statements distinguish between the governmental and business-type activities of the Stadium District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Stadium District does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Sales taxes, auto rental surcharges and other items not included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide 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. Sales taxes and auto rental surcharges are recognized as revenues in the year in which the underlying exchange transaction occurs. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effect of interfund services provided and used between functions is reported as expenses and program revenues at amounts approximating their external exchange value.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Stadium District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Compensated absences are recorded only when payment is due.

Chase Field operations, sales taxes, auto rental surcharges and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met.

Receivables that will not be collected within the available period are also reported as deferred inflows of resources on the governmental fund financial statements.

When both restricted and unrestricted resources are available for use, it is the Stadium District's policy to use restricted resources first, then unrestricted resources as they are needed.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. All funds of the Stadium District are considered major.

The Stadium District will report governmental fund balances as either nonspendable, restricted, committed, assigned, or unassigned. The Stadium District can only commit funds through the Board of Directors (the highest level of decision making authority) by resolution and can only un-commit funds through the same procedure. Additionally, the Stadium District will report all General Fund ending balances as unassigned as they can be used for Stadium District operations allocated by the executive director. The Stadium District does not currently have a minimum fund balance policy or policy to assign funds and will not present any assigned fund balances.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Stadium District reports the following major governmental funds:

Major Governmental Funds

Chase Field General Fund

The Chase Field General Fund accounts for all resources used to finance Stadium District operations except those required to be accounted for in other funds and is considered the main operating fund. The Fund's main revenue source is derived from use agreements with the Arizona Diamondbacks and the Stadium District's Booking Manager, Select Artists' Associates/SMG.

Cactus League Special Revenue Fund

The Cactus League Special Revenue Fund accounts for specific revenue resources that are legally restricted to expenditures for specified purposes. The Fund's main revenue source for Cactus League purposed is the Auto Rental Surcharge of \$2.5 per rental car contract.

Debt Service Fund

The Debt Service Fund accounts for resources accumulated for the payment of long-term debt principal, interest and related costs. The Fund's main revenue source for Cactus League Bond repayment is the Auto Rental Surcharge of \$2.5 per rental car contract.

Chase Field Capital Projects Reserve Fund

The Chase Field Capital Projects Reserve Fund is used to account for resources accumulated to fund future capital repairs in excess of \$100,000 and to update, refurbish, repair or otherwise improve the facility. The Fund's main revenue source is derived from use agreements with the Arizona Diamondbacks and the Stadium District's Booking Manager, Select Artists' Associates/SMG.

D. Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the State Treasurer, and investments. The District deposits certain cash with the County Treasurer. That cash is pooled for investment purposes. Interest earned from investments purchased with such pooled monies is allocated to each of the funds based on their average daily cash balances on a quarterly basis. All investments are stated at fair value.

The District also has cash on deposit with a trustee to make principal and interest payments on their debt obligations.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." All receivables are shown net of an allowance for uncollectibles, as applicable.

G. Capital Assets

Capital assets, which include land, buildings, and improvements; machinery and equipment, are reported in the government-wide financial statements.

Capital assets are defined by the Stadium District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the 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 the life of the asset are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

| | |
|----------------------------|---------------|
| Buildings and Improvements | 20 – 50 Years |
| Machinery and Equipment | 3 – 10 Years |

H. Deferred Outflow of Resources

Deferred outflows of resources are a consumption of net position that are applicable to a future period. The Stadium District refunded bonds in the previous year resulting in a deferred outflow of resources on that refunding. As such, they will be reported as a deferred outflow and amortized over the life of the bond.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences

The Stadium District's employees' leave plan generally provides for granting personal leave with pay. Accrued personal leave is earned by all permanent employees at various rates depending upon months of credited service.

At year-end the liability for accumulated personal leave, including related benefits, is presented in the government-wide financial statements. Expenses/expenditures for compensated absences are recorded in the government-wide financial statements when the liability is incurred and in the fund financial statements when paid. Generally, resources from the Chase Field General Fund are used to pay for compensated absences.

J. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method over the term of the related debt. Bond issuance costs are recognized as an expense in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

K. Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets is separately reported because capital assets make up a significant portion of total net position. Restricted net position accounts for the portion of net position restricted by parties outside the District. Unrestricted net position is the remaining net position not included in the previous two categories.

L. Fund Equity

In the fund financial statements, governmental funds report non-spendable, restricted, committed, assigned, and unassigned fund balances. The Stadium District uses restricted funds first, then committed, assigned and unassigned. The Stadium District reports restricted fund balances for those funds that are restricted by an outside party. The Stadium District also reports unassigned fund balance in the Chase Field General Fund to be used for Stadium District operations.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund financial statements are reported as other financing sources/uses in governmental funds.

N. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The Stadium District is required by Arizona law to prepare and adopt a budget annually for the Chase Field General, Cactus League Special Revenue, Debt Service, and Chase Field Reserve Capital Projects Funds. Arizona law further requires that no expenditure shall be made or liability incurred in excess of the amounts budgeted except as provided by law. Budget amounts are reported as originally adopted and as amended by authorization from the Board of Directors. Appropriations lapse at year-end.

The Stadium District budgets for governmental funds on a basis consistent with generally accepted accounting principles (GAAP).

NOTE 3 CASH AND INVESTMENTS

Deposits and investments at June 30, 2014 consisted of the following:

| | |
|--|-----------------------------|
| Deposits: | |
| Cash in Bank | \$ 84,226 |
| Investments | |
| Cash and Investments with Trustee | 10,770,071 |
| County Treasurer's Investment Pool | <u>11,531,432</u> |
| | 22,385,729 |
| Less Cash and Investments with Trustee | <u>(10,770,071)</u> |
| Total Cash and Investments | <u><u>\$ 11,615,658</u></u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits

A.R.S. authorize the Stadium District to invest public monies in obligations of the U.S. Government and its agencies, obligations of the State and certain local government subdivisions, interest-bearing savings accounts and certificates of deposit, collateralized repurchase agreements, certain obligations of U.S. corporations, and certain other securities. The statutes do not include any requirements for credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the Stadium District's investments.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of bank failure the Stadium District's deposits may not be returned to the Stadium District. It is the Stadium District's policy to collateralize all deposits by at least 101% of the deposits not covered by depository insurance. At year end, the carrying amount of the Stadium District's deposits was \$84,226 and the bank balance was \$84,226. At year end, the Stadium District's deposits were entirely covered by Federal depository insurance.

Investments

The County Treasurer's investment pool is not registered with the Securities Exchange Commission as an investment company and there is no regulatory oversight of its operations. The pool's structure does not provide for shares, and the County has not provided or obtained any legally binding guarantees to support the value of the participant's investments. The Treasurer allocates interest earnings to each of the pool's participants.

At year end, the Stadium District's investments consisted of the following.

| Investment Type | <u>Fair Value</u> | <u>Investment (in Years) Less than 1</u> |
|--|----------------------|--|
| Wells Fargo US Treasuries Money Market Fund | \$ 7,234,641 | \$ 7,234,641 |
| First American Government Obligations Money Market Fund | 3,535,430 | <u>3,535,430</u> |
| | | <u>\$ 10,770,071</u> |
| County Treasurer's Investment Pool | 11,531,432 | 374 days average maturities |
| Total | <u>\$ 22,301,503</u> | |

Interest Rate Risk. The Stadium District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, state statutes do limit the maturity of investments to 5 years or less. The Stadium District is allowed by statute to invest monies not held for operations, such as the long term reserves, for longer periods of time as long as the maturities are matched with the expected need for the monies to be available for improvements to the facility.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Credit Risk. The Stadium District has no investment policy that would further limit its investment choices. As of year-end, the Stadium District's investment in the County Treasurer's investment pool did not receive a credit quality rating from a national rating agency, however, the investments held by the County Treasurer at year end were primarily U.S. agencies that were rated Aaa by Moody's Investors Service. The Stadium District's investments in the Wells Fargo US Treasuries Money Market Fund and the First American Government Obligations Money Market Fund had ratings of Aaa-mf from Moody's and AAAM from Standard and Pools.

Custodial Credit Risk - The Stadium District's investment in the County Treasurer's investment pool represents a proportionate interest in the pool's portfolio; however, the Stadium District's portion is not identified with specific investments and is not subject to custodial credit risk.

Concentration of Credit Risk - The Stadium District places no limit on the amount the Stadium District may invest in any one issuer. The Stadium District's investments were invested 32.44% in the Wells Fargo US Treasuries Money Market Fund, 15.85% in the First American Government Obligations Money Market Fund, and 51.71% in the County Treasurer.

NOTE 4 RECEIVABLES

Receivable balances for the year ended June 30, 2014 was as follows:

| | Chase Field General Fund | Cactus League Special Revenue Fund | Debt Service Fund | Total |
|---------------------------|-----------------------------|--|----------------------|-------------------|
| Accounts | \$ 77,504 | \$ - | \$ - | \$ 77,504 |
| Interest | 6,413 | 4,187 | - | 10,600 |
| Due from State Government | - | - | 864,873 | 864,873 |
| Net Total Receivables | <u>\$ 83,917</u> | <u>\$ 4,187</u> | <u>\$ 864,873</u> | <u>\$ 952,977</u> |

Amounts due from State Government at year end include \$864,873 of auto rental surcharges in the Debt Service Fund collected by the State of Arizona but not received by the Stadium District.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 5 CAPITAL ASSETS

Capital assets for the year ended June 30, 2014 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|-----------------------|-----------------------|-------------|-----------------------|
| Governmental Activities: | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 35,608,005 | \$ - | \$ - | \$ 35,608,005 |
| Capital Assets, Being Depreciated: | | | | |
| Buildings and Improvements | 333,667,855 | - | - | 333,667,855 |
| Machinery and Equipment | 18,345,656 | - | - | 18,345,656 |
| Total Capital Assets, Being Depreciated | 352,013,511 | - | - | 352,013,511 |
| Accumulated Depreciation for: | | | | |
| Buildings and Improvements | (102,815,445) | (6,842,638) | - | (109,658,083) |
| Machinery and Equipment | (7,713,104) | (1,725,168) | - | (9,438,272) |
| Total Accumulated Depreciation | (110,528,549) | (8,567,806) | - | (119,096,355) |
| Total Capital Assets, Being Depreciated, Net | 241,484,962 | (8,567,806) | - | 232,917,156 |
| Governmental Activities Capital Assets, Net | <u>\$ 277,092,967</u> | <u>\$ (8,567,806)</u> | <u>\$ -</u> | <u>\$ 268,525,161</u> |

Depreciation expense was charged to a single governmental function as follows.

| | |
|---------------------------------|---------------------|
| Governmental Activities: | |
| Culture and Recreation | <u>\$ 8,567,806</u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 6 INTERFUND TRANSFERS

Interfund transfer for the year ended June 30, 2014 consisted of the following:

| Transfers Out | Transfers In | | Total |
|--------------------------|----------------------|---|--------------|
| | Debt Service Fund | Chase Field Capital Projects Reserve Fund | |
| Chase Field General Fund | \$ 5,706,857 | \$ 991,737 | \$ 6,698,594 |

The transfer of \$5,706,857 from the Chase Field General Fund to the Debt Service Fund was to pay off the Stadium District's commitments payable. The transfer of \$991,737 from the Chase Field General Fund to the Capital Projects Reserve Fund is to pay for ongoing repair, replacement, and maintenance costs.

NOTE 7 LONG TERM OBLIGATIONS

Bonds Payable

Bonds payable at year end consisted of the following outstanding refunding bonds. The bonds are both callable and noncallable with interest payable semiannually. Auto Surcharge Rental Sales Tax is used to pay off the refunded revenue bonds.

| Purpose | Interest Rates | Maturity Date | Original Amount | Outstanding Amount |
|---|-------------------|------------------|--------------------|-----------------------|
| Governmental Activities: | | | | |
| Revenue Refunding Bonds: Series 2012 | 2.28% | 06/01/2019 | \$ 25,140,000 | \$ 19,260,000 |

The Stadium District has pledged future auto rental surcharge revenues to repay the Revenue Refunding Bonds of \$19.3 million as of the current fiscal year end. Proceeds from the bond issuance provided financing to refund previously issued bonded debt for the construction of Cactus League facilities. The bond is paid solely from auto rental surcharge revenues and is payable through 2019. The total principal and interest to be paid on the bond is \$20.7 million. The current fiscal year total auto rental surcharge revenues were \$5.4 million and the total principal and interest paid on the bond was \$3.7 million, or 68% of auto rental surcharge revenues. The remaining balance after debt service payments and reserve requirement allocations were distributed to the Arizona Sports and Tourism Authority.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 7 LONG TERM OBLIGATIONS (CONTINUED)

Bonds Payable (Continued)

Debt service requirements on outstanding bonds payable at June 30, 2014 are as follows:

| <u>Year Ending June 30,</u> | <u>Governmental Activities</u> | |
|-----------------------------|--------------------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2015 | \$ 3,250,000 | \$ 439,128 |
| 2016 | 3,325,000 | 365,028 |
| 2017 | 3,405,000 | 289,218 |
| 2018 | 3,480,000 | 211,584 |
| 2019 | 5,800,000 | 132,240 |
| | <u>\$ 19,260,000</u> | <u>\$ 1,437,198</u> |

Commitments Payable

During the current year, the Stadium District paid off the remaining \$5,706,857 of commitments payable with the Arizona Diamondbacks.

Changes in long-term obligations for the year ended June 30, 2014 are as follows:

| | <u>July 1, 2013</u> | <u>Increases</u> | <u>Decreases</u> | <u>June 30, 2014</u> | <u>Due Within One Year</u> |
|--|----------------------|------------------|-----------------------|----------------------|--------------------------------|
| Governmental Activities | | | | | |
| Bonds | | | | | |
| Revenue Refunding Bond | \$ 22,440,000 | \$ - | \$ (3,180,000) | \$ 19,260,000 | \$ 3,250,000 |
| Other Liabilities: | | | | | |
| Commitments Payable | 5,706,857 | - | (5,706,857) | - | - |
| Compensated Absences | 29,656 | 30,121 | (22,002) | 37,775 | 22,002 |
| Governmental Activities Long-Term Liabilities | <u>\$ 28,176,513</u> | <u>\$ 30,121</u> | <u>\$ (8,908,859)</u> | <u>\$ 19,297,775</u> | <u>\$ 3,272,002</u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 8 EMPLOYMENT RETIREMENT PLAN

Plan Description

The Stadium District contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing multiple employer defined benefit health care plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan, all of which are administered by the Arizona State Retirement System (ASRS). The ASRS (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., a monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910 or by calling (602) 240-2000 or (800) 621-3778.

Funding Policy

The Arizona State Legislature establishes and may amend active plan members' and the Stadium District's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.54 percent (11.30 percent for retirement and 0.24 percent for long-term disability) of the members' annual covered payroll and the Stadium District was required by statute to contribute at the actuarially determined rate of 11.54 percent (10.65 percent for retirement and 0.65 percent for health insurance premiums, and 0.24 percent for long-term disability) of the members' annual covered payroll.

The Stadium District's contributions for the current and two preceding years, all of which were equal to the required contributions, were as follows.

| <u>Year Ending June 30,</u> | <u>Retirement Fund</u> | <u>Health Benefit Supplement Fund</u> | <u>Long-Term Disability Fund</u> |
|-----------------------------|----------------------------|---|--------------------------------------|
| 2014 | \$ 31,623 | \$ 1,930 | \$ 713 |
| 2013 | 29,843 | 1,892 | 699 |
| 2012 | 26,882 | 1,774 | 655 |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 9 RISK MANAGEMENT

The Stadium District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Under the agreements between the Stadium District and the Team, the facility insurance for Chase Field is carried by the facility manager and includes the Stadium District as a named insured. The caterer and all suite holders also are required to carry insurance naming the District as insured. In addition, events other than Diamondbacks baseball games are required to obtain their own insurance also naming the Stadium District as insured. The Stadium District has been indemnified against all claims arising from events held in the Ballpark.

The Stadium District continues to be covered by Maricopa County through their Risk Management and Health Benefits Self-Insurance Fund for all risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

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**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CHASE FIELD GENERAL FUND
YEAR ENDED JUNE 30, 2014**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| REVENUES | | | | |
| Chase Field Operations | \$ 4,529,650 | \$ 4,587,607 | \$ 4,513,842 | \$ (73,765) |
| Investment Earnings | 43,216 | 43,216 | 29,427 | (13,789) |
| Other | - | - | 75,000 | 75,000 |
| Total Revenues | <u>4,572,866</u> | <u>4,630,823</u> | <u>4,618,269</u> | <u>(12,554)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and Recreation | <u>1,653,028</u> | <u>1,710,985</u> | <u>1,378,297</u> | <u>332,688</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 2,919,838 | 2,919,838 | 3,239,972 | 320,134 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | <u>(2,295,339)</u> | <u>(8,002,195)</u> | <u>(6,698,594)</u> | <u>1,303,601</u> |
| CHANGE IN FUND BALANCES | 624,499 | (5,082,357) | (3,458,622) | 1,623,735 |
| Fund Balance - Beginning | 10,285,906 | 10,285,906 | 10,540,192 | 254,286 |
| FUND BALANCE - End | <u>\$ 10,910,405</u> | <u>\$ 5,203,549</u> | <u>\$ 7,081,570</u> | <u>\$ 1,878,021</u> |

See accompanying notes to this schedule.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CACTUS LEAGUE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|----------------------------|----------------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Auto Surcharge Tax | \$ 1,294,920 | \$ 1,661,196 | \$ 1,661,196 | \$ - |
| Investment Earnings | 14,000 | 14,000 | 26,754 | 12,754 |
| Total Revenues | <u>1,308,920</u> | <u>1,675,196</u> | <u>1,687,950</u> | <u>12,754</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and Recreation | <u>1,272,788</u> | <u>1,639,064</u> | <u>1,562,049</u> | <u>77,015</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 36,132 | 36,132 | 125,901 | 89,769 |
| Fund Balance - Beginning | <u>4,386,880</u> | <u>4,386,880</u> | <u>4,430,470</u> | <u>43,590</u> |
| FUND BALANCE - End | <u><u>\$ 4,423,012</u></u> | <u><u>\$ 4,423,012</u></u> | <u><u>\$ 4,556,371</u></u> | <u><u>\$ 133,359</u></u> |

See accompanying notes to this schedule.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2014**

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

Budgets are prepared on a basis of accounting consistent with accounting principle generally accepted in the United States of America.

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**SUPPLEMENTARY INFORMATION – BUDGET TO ACTUAL STATEMENTS
OTHER MAJOR GOVERNMENTAL FUNDS**

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2014**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|----------------------------|----------------------------|----------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Auto Rental Surcharge | \$ 3,823,297 | \$ 3,457,021 | \$ 3,733,510 | \$ 276,489 |
| Investment Earnings | 860 | 860 | 507 | (353) |
| Total Revenues | <u>3,824,157</u> | <u>3,457,881</u> | <u>3,734,017</u> | <u>276,136</u> |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal Retirement | 4,380,000 | 10,086,857 | 8,886,857 | 1,200,000 |
| Interest on Long-Term Debt | 511,632 | 511,632 | 511,632 | - |
| Fiscal Charges | 11,250 | 11,250 | 1,250 | 10,000 |
| Total Expenditures | <u>4,902,882</u> | <u>10,609,739</u> | <u>9,399,739</u> | <u>1,210,000</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (1,078,725) | (7,151,858) | (5,665,722) | 1,486,136 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers In | <u>1,200,000</u> | <u>6,906,857</u> | <u>5,706,857</u> | <u>(1,200,000)</u> |
| CHANGE IN FUND BALANCES | 121,275 | (245,001) | 41,135 | 286,136 |
| Fund Balance - Beginning | <u>3,800,218</u> | <u>3,800,218</u> | <u>4,360,174</u> | <u>559,956</u> |
| FUND BALANCE - End | <u><u>\$ 3,921,493</u></u> | <u><u>\$ 3,555,217</u></u> | <u><u>\$ 4,401,309</u></u> | <u><u>\$ 846,092</u></u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CHASE FIELD CAPITAL PROJECTS RESERVE FUND
YEAR ENDED JUNE 30, 2014**

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|----------------------------|----------------------------|----------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| REVENUES | | | | |
| Intergovernmental | \$ 100 | \$ 100 | \$ - | \$ (100) |
| Chase Field Operations | 750,000 | 750,000 | 794,821 | 44,821 |
| Investment Earnings | 100 | 100 | 131 | 31 |
| Total Revenues | <u>750,200</u> | <u>750,200</u> | <u>794,952</u> | <u>44,752</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and Recreation | <u>3,503,000</u> | <u>3,503,000</u> | <u>3,500,524</u> | <u>2,476</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (2,752,800) | (2,752,800) | (2,705,572) | 47,228 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers In | <u>1,095,339</u> | <u>1,095,339</u> | <u>991,737</u> | <u>(103,602)</u> |
| CHANGE IN FUND BALANCES | (1,657,461) | (1,657,461) | (1,713,835) | (56,374) |
| Fund Balance - Beginning | <u>8,843,600</u> | <u>8,843,600</u> | <u>8,833,977</u> | <u>(9,623)</u> |
| FUND BALANCE - End | <u><u>\$ 7,186,139</u></u> | <u><u>\$ 7,186,139</u></u> | <u><u>\$ 7,120,142</u></u> | <u><u>\$ (65,997)</u></u> |

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STATISTICAL SECTION (UNAUDITED)

This section of the Maricopa County Stadium District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Stadium District's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the auto surcharge tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

See the table of contents for page numbers of the schedules that encompass the above sections.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

| | Fiscal Year | | | | |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 |
| Governmental Activities: | | | | | |
| Net Investment in Capital Assets | \$ 321,964,480 | \$ 320,825,838 | \$ 316,940,142 | \$ 306,365,725 | \$ 299,070,229 |
| Restricted | - | - | - | - | - |
| Unrestricted | <u>(25,421,360)</u> | <u>(23,886,787)</u> | <u>(21,338,775)</u> | <u>(17,140,229)</u> | <u>(13,294,022)</u> |
| Total Governmental Activities | | | | | |
| Net Position | <u>\$ 296,543,120</u> | <u>\$ 296,939,051</u> | <u>\$ 295,601,367</u> | <u>\$ 289,225,496</u> | <u>\$ 285,776,207</u> |

Source: Maricopa County Stadium District's records.

Note 1: During the fiscal year 2010-2011 the Stadium District implemented GASB Statement No. 54. Therefore, starting in the fiscal year ended June 30, 2011 restricted net position will be presented in accordance with GASB Statement No. 54.

| Fiscal Year | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 |
| \$ 290,286,897 | \$ 284,184,850 | \$ 277,867,942 | \$ 271,386,110 | \$ 268,525,161 |
| - | 22,131,926 | 21,863,485 | 17,624,621 | 16,077,822 |
| <u>(7,266,370)</u> | <u>(26,151,409)</u> | <u>(21,462,781)</u> | <u>(11,670,375)</u> | <u>(12,001,361)</u> |
| <u>\$ 283,020,527</u> | <u>\$ 280,165,367</u> | <u>\$ 278,268,646</u> | <u>\$ 277,340,356</u> | <u>\$ 272,601,622</u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

| | Fiscal Year | | | | |
|---|---------------------|-------------------|-----------------------|-----------------------|-----------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 |
| Expenses | | | | | |
| Governmental Activities: | | | | | |
| Culture and Recreation | \$ 9,105,928 | \$ 9,333,326 | \$ 10,932,879 | \$ 12,184,207 | \$ 12,701,863 |
| Interest on Long-Term Debt | 3,510,477 | 3,354,440 | 3,089,023 | 2,762,472 | 2,615,805 |
| Total Governmental Activities Expenses | <u>12,616,405</u> | <u>12,687,766</u> | <u>14,021,902</u> | <u>14,946,679</u> | <u>15,317,668</u> |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Charges for Services | 4,095,044 | 4,153,795 | 4,271,130 | 4,376,173 | 4,445,519 |
| Capital Grants and Contributions | 325,020 | 1,189,204 | 509,975 | 589,338 | 1,213,801 |
| Total Governmental Activities Program Revenues | <u>4,420,064</u> | <u>5,342,999</u> | <u>4,781,105</u> | <u>4,965,511</u> | <u>5,659,320</u> |
| Excess of Revenues Over (Under) Expenditures | (8,196,341) | (7,344,767) | (9,240,797) | (9,981,168) | (9,658,348) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental Activities: | | | | | |
| Taxes: | | | | | |
| Sales Tax | \$ 6,024,355 | \$ 5,294 | \$ 1,938 | \$ 1,160 | \$ 875 |
| Auto Rental Surcharge | 1,191,265 | 6,493,520 | 6,286,155 | 6,131,305 | 5,303,690 |
| Investment Earnings | - | 1,241,884 | 1,615,020 | 1,458,224 | 904,494 |
| Other | - | - | - | - | - |
| Loss on Disposal of Assets | - | - | - | (3,985,392) | - |
| Total Governmental Activities | <u>7,215,620</u> | <u>7,740,698</u> | <u>7,903,113</u> | <u>3,605,297</u> | <u>6,209,059</u> |
| Change in Net Position | | | | | |
| Governmental Activities | (980,721) | 395,931 | (1,337,684) | (6,375,871) | (3,449,289) |
| Total Primary Government | <u>\$ (980,721)</u> | <u>\$ 395,931</u> | <u>\$ (1,337,684)</u> | <u>\$ (6,375,871)</u> | <u>\$ (3,449,289)</u> |

Source: Maricopa County Stadium District's records.

| Fiscal Year | | | | |
|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 |
| \$ 9,164,730 | \$ 11,549,002 | \$ 10,810,878 | \$ 11,607,960 | \$ 15,016,795 |
| <u>2,460,689</u> | <u>2,066,658</u> | <u>1,887,966</u> | <u>564,693</u> | <u>557,127</u> |
| 11,625,419 | 13,615,660 | 12,698,844 | 12,172,653 | 15,573,922 |
| 4,318,917 | 4,250,004 | 4,395,005 | 4,385,236 | 4,513,842 |
| <u>1,064,751</u> | <u>1,093,751</u> | <u>789,141</u> | <u>801,945</u> | <u>794,821</u> |
| <u>5,383,668</u> | <u>5,343,755</u> | <u>5,184,146</u> | <u>5,187,181</u> | <u>5,308,663</u> |
| (6,241,751) | (8,271,905) | (7,514,698) | (6,985,472) | (10,265,259) |
| \$ 131 | \$ 1,667 | \$ 322 | \$ 42 | \$ - |
| 4,668,573 | 4,988,266 | 5,191,681 | 5,217,411 | 5,394,706 |
| 733,350 | 426,812 | 425,974 | 145,657 | 56,819 |
| - | - | - | 694,072 | 75,000 |
| <u>(1,915,983)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>3,486,071</u> | <u>5,416,745</u> | <u>5,617,977</u> | <u>6,057,182</u> | <u>5,526,525</u> |
| <u>(2,755,680)</u> | <u>(2,855,160)</u> | <u>(1,896,721)</u> | <u>(928,290)</u> | <u>(4,738,734)</u> |
| <u>\$ (2,755,680)</u> | <u>\$ (2,855,160)</u> | <u>\$ (1,896,721)</u> | <u>\$ (928,290)</u> | <u>\$ (4,738,734)</u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
REVENUES BY SOURCE – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

| | Fiscal Year | | | | |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 |
| Intergovernmental | \$ - | \$ 5,294 | \$ 1,938 | \$ 1,160 | \$ 875 |
| Auto Rental Surcharge | 6,024,355 | 6,493,520 | 6,286,155 | 6,131,305 | 5,303,690 |
| Chase Field Ballpark Operations | 4,344,760 | 4,496,519 | 4,697,199 | 4,877,312 | 5,618,849 |
| Investment Income | 931,600 | 982,219 | 1,355,352 | 1,198,559 | 644,829 |
| Other | - | - | - | - | - |
| Total Primary Government | <u>\$ 11,300,715</u> | <u>\$ 11,977,552</u> | <u>\$ 12,340,644</u> | <u>\$ 12,208,336</u> | <u>\$ 11,568,243</u> |

Source: Maricopa County Stadium District's records.

Fiscal Year

| 2010 | 2011 | 2012 | 2013 | 2014 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 131 | \$ 1,667 | \$ 3,768 | \$ 1,316 | \$ - |
| 4,668,573 | 4,988,266 | 5,191,681 | 5,217,411 | 5,394,706 |
| 5,356,908 | 5,274,846 | 5,180,700 | 5,185,907 | 5,308,663 |
| 473,685 | 426,812 | 425,974 | 145,657 | 56,819 |
| - | - | - | 694,072 | 75,000 |
| <u>\$ 10,499,297</u> | <u>\$ 10,691,591</u> | <u>\$ 10,802,123</u> | <u>\$ 11,244,363</u> | <u>\$ 10,835,188</u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

| | Fiscal Year | | | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2005 | 2006 | 2007 | 2008 |
| General Fund: | | | | |
| Unreserved | \$ 4,906,646 | \$ 2,787,187 | \$ 2,326,098 | \$ 5,740,934 |
| Total General Fund | <u>\$ 4,906,646</u> | <u>\$ 2,787,187</u> | <u>\$ 2,326,098</u> | <u>\$ 5,740,934</u> |
| All Other Governmental Funds: | | | | |
| Reserved, Reported in: | | | | |
| Special Revenue Funds | \$ 2,522,650 | \$ 2,693,882 | \$ 2,914,188 | \$ 3,151,957 |
| Capital Projects Funds | 9,348,934 | 9,815,141 | 9,814,906 | 7,622,566 |
| Debt Service Funds | 10,320,528 | 10,697,550 | 10,702,495 | 10,511,470 |
| Total All Other Governmental Funds | <u>\$ 22,192,112</u> | <u>\$ 23,206,573</u> | <u>\$ 23,431,589</u> | <u>\$ 21,285,993</u> |
| | | | | |
| | Fiscal Year | | | |
| | 2011 | 2012 | 2013 | # 2014 |
| General Fund: | | | | |
| Unassigned | \$ 8,539,623 | \$ 9,543,662 | \$ 10,540,192 | \$ 7,081,570 |
| Total General Fund | <u>\$ 8,539,623</u> | <u>\$ 9,543,662</u> | <u>\$ 10,540,192</u> | <u>\$ 7,081,570</u> |
| All Other Governmental Funds: | | | | |
| Special Revenue Funds | | | | |
| Restricted | \$ 3,571,575 | \$ 3,666,764 | \$ 4,430,470 | \$ 4,556,371 |
| Capital Projects Funds | | | | |
| Restricted | 9,150,448 | 8,951,563 | 8,833,977 | 7,120,142 |
| Debt Service Funds | | | | |
| Restricted | 9,255,676 | 9,245,158 | 4,360,174 | 4,401,309 |
| Total All Other Governmental Funds | <u>\$ 21,977,699</u> | <u>\$ 21,863,485</u> | <u>\$ 17,624,621</u> | <u>\$ 16,077,822</u> |

Source: Maricopa County Stadium District's records.

Note 1: The decrease in General Fund fund balance in fiscal year 2006 was due to the \$2 million principal payment on the loan and the transfer of \$2 million to the Capital Projects Fund for capital improvements.

Note 2: During fiscal year 2010-2011 the Stadium District implemented GASB Statement No. 54. Therefore, starting in the fiscal year ended June 30, 2011, governmental fund balances will be presented based on the GASB Statement No. 54 hierarchy.

Note 3: The decrease in Debt Service Funds fund balance in fiscal year 2013 was due to advance refunding of Revenue Refunding Bonds, Series 2002, along with the issuance of Revenue Refunding Bonds, series 2012.

Note 4: The decrease in General Fund fund balance in fiscal year 2014 was due to a transfer to the Debt Service Fund to pay off the commitments payable.

| Fiscal Year | |
|----------------------|----------------------|
| 2009 | 2010 |
| \$ 6,989,310 | \$ 7,688,448 |
| <u>\$ 6,989,310</u> | <u>\$ 7,688,448</u> |
| | |
| \$ 3,314,176 | \$ 3,448,497 |
| 7,509,358 | 10,002,436 |
| 9,993,478 | 9,468,739 |
| <u>\$ 20,817,012</u> | <u>\$ 22,919,672</u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

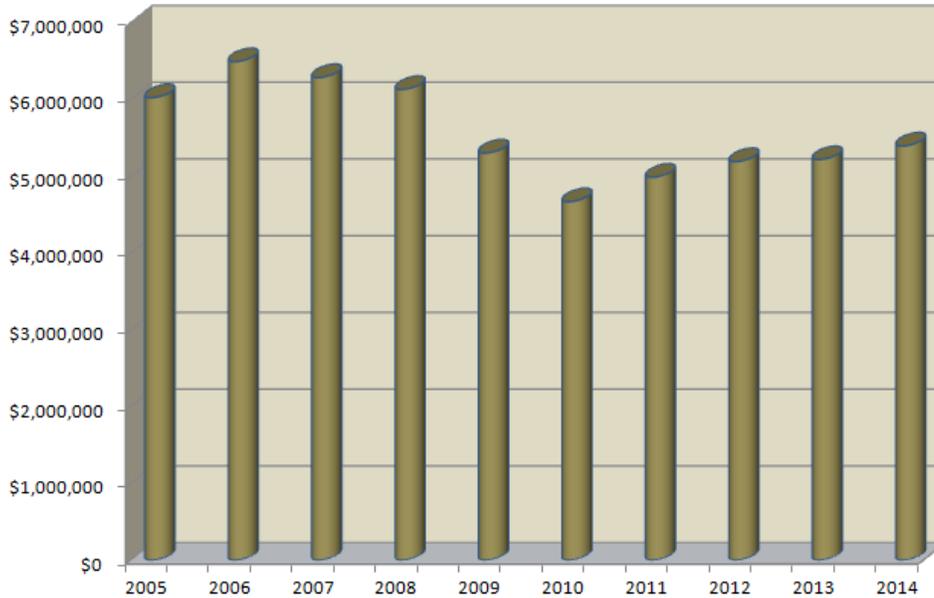
| | Fiscal Year | | | | |
|--|-------------------|-----------------------|---------------------|---------------------|-------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 |
| Revenues | | | | | |
| Intergovernmental | \$ - | \$ 5,294 | \$ 1,938 | \$ 1,160 | \$ 875 |
| Auto Rental Surcharge | 6,024,355 | 6,493,520 | 6,286,155 | 6,131,305 | 5,303,690 |
| Chase Field Operations | 4,344,760 | 4,496,519 | 4,697,199 | 4,877,312 | 5,618,849 |
| Investment Income | 931,600 | 982,219 | 1,355,352 | 1,198,559 | 644,829 |
| Other | - | - | - | - | - |
| Total Revenues | <u>11,300,715</u> | <u>11,977,552</u> | <u>12,340,644</u> | <u>12,208,336</u> | <u>11,568,243</u> |
| Expenditures | | | | | |
| Culture and Recreation | 1,328,633 | 1,984,291 | 2,296,102 | 2,264,153 | 1,923,645 |
| Capital Outlay | 1,530,473 | 3,880,572 | 3,220,559 | 13,199,058 | 3,043,094 |
| Debt Service | | | | | |
| Principal | 4,490,000 | 4,685,000 | 5,487,512 | 3,180,335 | 3,504,577 |
| Interest | 3,209,641 | 3,054,417 | 2,789,562 | 2,463,594 | 2,317,532 |
| Fiscal Charges | - | - | - | - | - |
| Payment to Escrow Agent | - | - | - | - | - |
| Total Expenditures | <u>10,558,747</u> | <u>13,604,280</u> | <u>13,793,735</u> | <u>21,107,140</u> | <u>10,788,848</u> |
| Excess of Revenues Over (Under) Expenditures | 741,968 | (1,626,728) | (1,453,091) | (8,898,804) | 779,395 |
| Other Financing Sources (Uses) | | | | | |
| Transfers In | 1,372,049 | 4,485,378 | 2,462,131 | 1,462,553 | 2,517,876 |
| Transfers Out | (1,372,049) | (4,485,378) | (2,462,131) | (1,462,553) | (2,517,876) |
| Proceeds from Sale of Capital Assets | - | 521,730 | - | - | - |
| Loan Proceeds | - | - | 1,217,018 | 10,168,044 | - |
| Proceeds from Sale of Bonds | - | - | - | - | - |
| Payment to Escrow Agent | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>521,730</u> | <u>1,217,018</u> | <u>10,168,044</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ 741,968</u> | <u>\$ (1,104,998)</u> | <u>\$ (236,073)</u> | <u>\$ 1,269,240</u> | <u>\$ 779,395</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 85.2% | 78.1% | 67.9% | 52.2% | 55.7% |

Source: Maricopa County Stadium District's records.

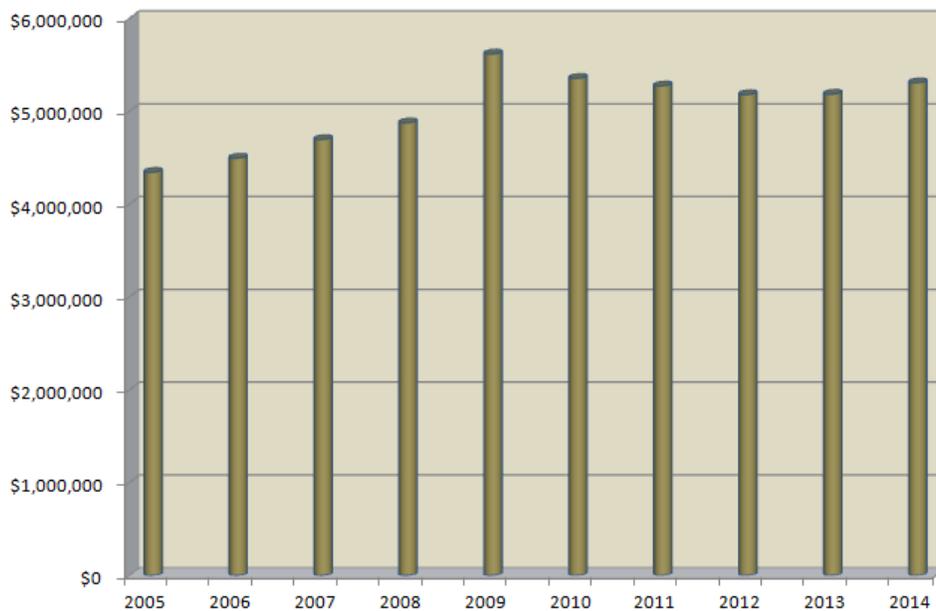
| Fiscal Year | | | | |
|---------------------|--------------------|-------------------|-----------------------|-----------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 |
| \$ 131 | \$ 1,667 | \$ 3,768 | \$ 1,316 | \$ - |
| 4,668,573 | 4,988,266 | 5,191,681 | 5,217,411 | 5,394,706 |
| 5,356,908 | 5,274,846 | 5,180,700 | 5,185,907 | 5,308,663 |
| 473,685 | 426,812 | 425,974 | 145,657 | 56,819 |
| - | - | - | 694,072 | 75,000 |
| <u>10,499,297</u> | <u>10,691,591</u> | <u>10,802,123</u> | <u>11,244,363</u> | <u>10,835,188</u> |
| 1,094,196 | 3,038,132 | 2,292,998 | 2,840,858 | 6,440,870 |
| 3,718 | 1,145,073 | 997,261 | 896,157 | - |
| 4,439,241 | 4,569,241 | 4,770,000 | 3,900,000 | 8,886,857 |
| 2,160,344 | 2,029,943 | 1,852,039 | 477,660 | 511,632 |
| - | - | - | 132,718 | 1,250 |
| - | - | - | 6,381,485 | - |
| <u>7,697,499</u> | <u>10,782,389</u> | <u>9,912,298</u> | <u>14,628,878</u> | <u>15,840,609</u> |
| 2,801,798 | (90,798) | 889,825 | (3,384,515) | (5,005,421) |
| 2,611,586 | 5,236,726 | 2,169,847 | 2,717,162 | 6,698,594 |
| (2,611,586) | (5,236,726) | (2,169,847) | (2,717,162) | (6,698,594) |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | 25,140,000 | - |
| - | - | - | (24,997,819) | - |
| - | - | - | 142,181 | - |
| <u>\$ 2,801,798</u> | <u>\$ (90,798)</u> | <u>\$ 889,825</u> | <u>\$ (3,242,334)</u> | <u>\$ (5,005,421)</u> |
| 85.7% | 68.5% | 74.3% | 32.8% | 59.3% |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
SELECTED CHARTS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

**Maricopa County Stadium District
Auto Rental Surcharge Revenue**

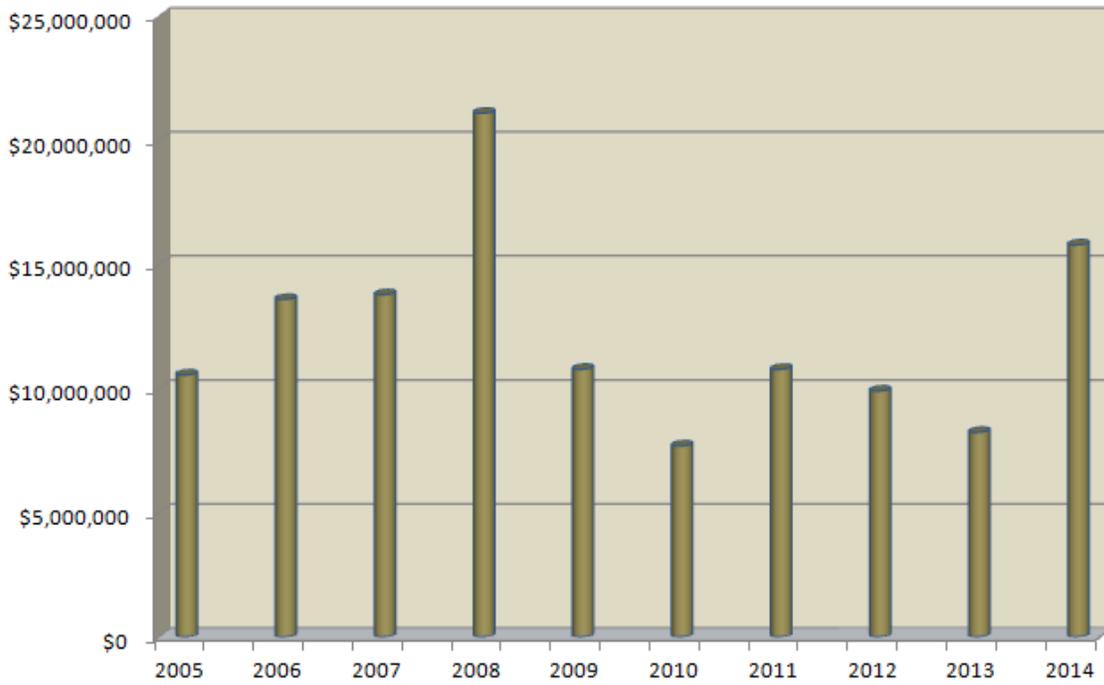


**Maricopa County Stadium District
Chase Field Operations Revenue**



**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
SELECTED CHARTS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

**Maricopa County Stadium District
Total Expenditures**



**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

| Fiscal Year | Baseball Stadium Tax | Auto Rental Surcharge |
|----------------|-------------------------|--------------------------|
| 2014 | \$ - | \$ 5,394,706 |
| 2013 | 42 | 5,217,411 |
| 2012 | 322 | 5,191,681 |
| 2011 | 1,667 | 4,988,266 |
| 2010 | 131 | 4,668,573 |
| 2009 | 875 | 5,303,690 |
| 2008 | 1,160 | 6,131,305 |
| 2007 | 1,938 | 6,286,155 |
| 2006 | 5,294 | 6,493,520 |
| 2005 | - | 6,024,355 |

Source: Maricopa County Stadium District's records.

Note: The baseball stadium tax ended in November 1997, but amounts continued to be collected based on audits.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Fiscal Year | Current Revenue | Total Revenue Available for Debt Service* | Principal | Interest | Total | Current Coverage | Total Coverage |
|----------------|--------------------|--|--------------|------------|--------------|---------------------|-------------------|
| 2014 | \$ 5,394,706 | \$ 3,734,018 | \$ 3,180,000 | \$ 511,632 | \$ 3,691,632 | 1.46 | 1.01 |
| 2013 | 5,217,411 | 4,444,471 | 2,700,000 | 477,660 | 3,177,660 | 1.64 | 1.40 |
| 2012 | 5,191,681 | 5,076,181 | 3,570,000 | 1,852,039 | 5,422,039 | 0.96 | 0.94 |
| 2011 | 4,988,266 | 4,872,766 | 3,390,000 | 2,028,694 | 5,418,694 | 0.92 | 0.90 |
| 2010 | 4,668,573 | 4,558,573 | 3,260,000 | 2,159,094 | 5,419,094 | 0.86 | 0.84 |
| 2009 | 5,714,998 | 4,904,540 | 3,105,000 | 2,317,532 | 5,422,532 | 1.05 | 0.90 |
| 2008 | 6,671,848 | 5,232,569 | 2,960,000 | 2,463,594 | 5,423,594 | 1.23 | 0.96 |
| 2007 | 6,838,436 | 5,429,319 | 2,820,000 | 2,603,344 | 5,423,344 | 1.26 | 1.00 |
| 2006 | 7,018,591 | 5,810,866 | 2,685,000 | 2,738,844 | 5,423,844 | 1.29 | 1.07 |
| 2005 | 6,533,419 | 6,171,793 | 2,490,000 | 2,873,964 | 5,363,964 | 1.22 | 1.15 |

Source: Maricopa County Stadium District records.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
TOTAL DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Fiscal Year | Revenue Bonds Payable* | Contractual Obligation (Loan) | Total Debt | Percentage of Personal Income** | Debt Per Capita** |
|-------------|------------------------------|-------------------------------------|---------------|---------------------------------------|----------------------|
| 2014 | \$ 19,260,000 | \$ - | \$ 19,260,000 | ** | *** |
| 2013 | 22,440,000 | 5,706,857 | 28,146,857 | ** | 7.14 |
| 2012 | 31,464,329 | 6,906,857 | 38,371,186 | 24.43% | 9.74 |
| 2011 | 35,293,994 | 8,106,857 | 43,400,851 | 29.38% | 11.19 |
| 2010 | 38,943,659 | 9,286,098 | 48,229,757 | 33.76% | 12.61 |
| 2009 | 42,463,323 | 10,465,338 | 52,928,661 | 37.25% | 13.16 |
| 2008 | 45,827,988 | 10,864,916 | 56,692,904 | 38.59% | 14.32 |
| 2007 | 49,047,653 | 978,394 | 50,026,047 | 34.29% | 12.92 |
| 2006 | 52,127,319 | 2,428,888 | 54,556,207 | 39.23% | 14.45 |
| 2005 | 55,071,982 | 4,428,888 | 59,500,870 | 47.22% | 16.31 |

Source: Maricopa County Stadium District records

* Includes unamortized premium on refunding bonds.

** See the Schedule of Demographics and Economic Statistics on page 65 for personal income and population data.

*** Personal income and debt per capita estimates were not available for fiscal years 2013 and 2014.

Note: Debt as a percentage of personal income and debt per capita is shown for reference purposes only since the revenue bonds are repaid from an auto rental surcharge and the contractual obligation is repaid from revenue generated from ballpark usage.

**MARICOPA COUNTY STADIUM DISTRICT
 (A COMPONENT UNIT OF MARICOPA COUNTY)
 ARIZONA DIAMONDBACKS ATTENDANCE
 LAST TEN CALENDAR YEARS
 (UNAUDITED)**

| <u>Calendar Year</u> | <u>Attendance</u> | | |
|----------------------|-------------------|---------------------|-------------------|
| | <u>Game Avg</u> | <u>Season Total</u> | <u>League Avg</u> |
| 2014* | 25,144 | 1,961,307 | 2,290,140 |
| 2013 | 26,355 | 2,134,857 | 2,467,563 |
| 2012 | 26,884 | 2,177,591 | 2,495,309 |
| 2011 | 25,992 | 2,105,432 | 2,448,384 |
| 2010 | 25,496 | 2,057,242 | 2,336,844 |
| 2009 | 26,286 | 2,129,183 | 2,384,653 |
| 2008 | 30,986 | 2,509,924 | 2,576,335 |
| 2007 | 28,708 | 2,325,413 | 2,650,106 |
| 2006 | 25,821 | 2,091,505 | 2,598,741 |
| 2005 | 25,423 | 2,059,331 | 2,508,570 |

Source: Major League Baseball and Maricopa County Stadium District records

* 78 of 81 Home Games Played as of 09/17/2014

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
CACTUS LEAGUE ATTENDANCE
LAST TEN FISCAL YEARS
(UNAUDITED)**

| Fiscal Year | Fiscal Year | | | | |
|----------------------|------------------|------------------|------------------|------------------|------------------|
| | 2014 | 2013 | 2012 | 2011 | 2010 |
| Arizona Diamondbacks | 144,434 | 182,447 | 186,828 | 189,737 | 99,698 |
| Los Angeles Angels | 109,598 | 122,587 | 130,126 | 88,413 | 111,038 |
| Los Angeles Dodgers* | 114,402 | 133,460 | 121,769 | 103,114 | 124,502 |
| Cleveland Indians* | 67,445 | 77,590 | 74,836 | 59,744 | 61,240 |
| Chicago Cubs | 213,815 | 148,296 | 153,281 | 160,536 | 152,493 |
| Chicago White Sox | 87,759 | 90,729 | 109,092 | 91,749 | 81,634 |
| Cincinnati Reds** | 69,478 | 68,652 | 61,878 | 53,050 | 66,725 |
| Colorado Rockies | 169,663 | 139,509 | 182,565 | 169,571 | 78,638 |
| Kansas City Royals | 93,987 | 86,029 | 76,238 | 72,900 | 79,249 |
| Milwaukee Brewers | 75,041 | 75,370 | 89,176 | 74,330 | 79,651 |
| Oakland Athletics | 78,011 | 90,228 | 57,981 | 80,145 | 89,493 |
| San Diego Padres | 75,916 | 84,688 | 92,828 | 75,906 | 79,671 |
| San Francisco Giants | 156,067 | 168,820 | 168,320 | 160,574 | 155,819 |
| Seattle Mariners | 116,597 | 112,193 | 102,681 | 112,338 | 120,328 |
| Texas Rangers | 95,181 | 111,728 | 104,443 | 103,507 | 90,513 |
| Total*** | <u>1,686,908</u> | <u>1,692,326</u> | <u>1,712,042</u> | <u>1,595,614</u> | <u>1,470,692</u> |

Source: Cactus League records.

* 2009 was the first year in the Cactus League; previously in the Grapefruit League.

** 2010 was the first year in the Cactus League, previously in the Grapefruit League.

*** 2014 attendance includes (2) games played in Las Vegas, NV. Total attendance for those games was 19,514.

Fiscal Year

| 2009 | 2008 | 2007 | 2006 | 2005 |
|------------------|------------------|------------------|------------------|------------------|
| 121,281 | 110,886 | 94,291 | 97,925 | 107,109 |
| 100,789 | 118,191 | 105,869 | 96,315 | 106,690 |
| 136,944 | - | - | - | - |
| 99,825 | - | - | - | - |
| 203,105 | 181,280 | 175,891 | 154,978 | 193,993 |
| 91,782 | 87,304 | 86,397 | 98,728 | 76,879 |
| - | - | - | - | - |
| 75,557 | 72,550 | 57,359 | 56,715 | 67,089 |
| 96,798 | 83,118 | 78,747 | 70,412 | 79,690 |
| 82,271 | 88,499 | 61,888 | 56,903 | 68,187 |
| 94,872 | 91,875 | 95,058 | 100,087 | 110,543 |
| 86,557 | 95,280 | 100,061 | 76,275 | 102,024 |
| 177,995 | 148,935 | 148,988 | 150,875 | 148,039 |
| 124,684 | 135,154 | 126,137 | 130,111 | 123,427 |
| 86,249 | 103,110 | 86,864 | 79,706 | 86,997 |
| <u>1,578,709</u> | <u>1,316,182</u> | <u>1,217,550</u> | <u>1,169,030</u> | <u>1,270,667</u> |

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

| <u>Fiscal Year</u> | <u>Population</u> | <u>Personal Income (thousands of dollars)</u> | <u>Per Capita Personal Income</u> | <u>Unemployment Rate</u> |
|--------------------|-------------------|---|---------------------------------------|------------------------------|
| 2013 | 3,944,859 | (1) | (1) | 7.1 % |
| 2012 | 3,942,169 | 154,926,697 | 39,300 | 7.6 |
| 2011 | 3,868,525 | 148,593,801 | 38,411 | 9.0 |
| 2010 | 3,823,563 | 140,108,471 | 36,643 | 9.7 |
| 2009 | 3,803,779 | 138,950,229 | 36,530 | 9.4 |
| 2008 | 3,771,061 | 146,358,345 | 38,811 | 5.1 |
| 2007 | 3,711,954 | 146,732,408 | 39,530 | 3.0 |
| 2006 | 3,642,884 | 140,324,362 | 38,520 | 3.7 |
| 2005 | 3,538,988 | 125,969,038 | 35,595 | 4.1 |
| 2004 | 3,417,860 | 113,794,920 | 33,294 | 4.6 |

Source: Workforce Informer Arizona at www.workforce.az.gov for unemployment rate, population, income and per capital statistics.

Note: Data from this source for previous years is subject to periodic update.

(1) Personal Income and per capita estimates were not yet available for fiscal year 2013.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO
(UNAUDITED)**

| Employer | 2014* | | | 2005* | | |
|---|------------------|-------------|--|------------------|-------------|--|
| | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| State of Arizona | 49,278 | 1 | 2.79% | 49,305 | 1 | 2.94% |
| Wal-Mart Stores | 32,169 | 2 | 1.82% | 28,800 | 2 | 1.72% |
| Banner Health | 25,270 | 3 | 1.43% | 16,400 | 3 | 0.98% |
| City of Phoenix | 14,983 | 4 | 0.85% | 14,166 | 4 | 0.84% |
| Wells Fargo | 14,713 | 5 | 0.83% | 11,800 | 7 | 0.70% |
| Maricopa County | 12,698 | 6 | 0.72% | 13,274 | 5 | 0.79% |
| Arizona State University | 12,222 | 7 | 0.69% | 12,083 | 6 | 0.72% |
| Intel | 11,900 | 8 | 0.67% | 10,530 | | 0.63% |
| JPMorgan Chase & Co. | 11,042 | 9 | 0.63% | 10,300 | | 0.61% |
| Bank of America | 11,000 | 10 | 0.62% | | | |
| Fry's Food & Drug Stores | | | | 11,780 | 8 | 0.70% |
| U.S. Postal Service | | | | 11,000 | 9 | 0.66% |
| Raytheon Co. | | | | 10,750 | 10 | 0.64% |
| Total for Principal Employers | 195,275 | | 11.05% | 200,188 | | 11.93% |
| Total Employment in Maricopa County ** | 1,765,300 | | | 1,676,700 | | |

Source: * The Phoenix Business Journal, Book of Lists.

** Workforce Informer Arizona at www.workforce.az.gov for total employed in Maricopa County as of June 2014 and 2005.

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**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

| <u>Year Ending June 30,</u> | <u>Culture and Recreation</u> |
|-----------------------------|-------------------------------|
| 2014 | 4.00 |
| 2013 | 4.00 |
| 2012 | 4.00 |
| 2011 | 4.00 |
| 2010 | 3.00 |
| 2009 | 5.00 |
| 2008 | 3.00 |
| 2007 | 4.75 |
| 2006 | 4.75 |
| 2005 | 4.50 |

Source: Maricopa County Stadium District records.

**MARICOPA COUNTY STADIUM DISTRICT
(A COMPONENT UNIT OF MARICOPA COUNTY)
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

| | Fiscal Year | | | | |
|---|-------------|-----------|-----------|-----------|-----------|
| | 2005 | 2006 | 2007 | 2008 | 2009 |
| Culture and Recreation: | | | | | |
| Baseball Stadium | 1 | 1 | 1 | 1 | 1 |
| Baseball Stadium Appx. Sq. Ft. | 1,250,000 | 1,250,000 | 1,250,000 | 1,250,000 | 1,250,000 |
| Baseball Stadium Parking Garage Appx. Sq. Ft. | 534,692 | 534,692 | 534,692 | 534,692 | 534,692 |
| Baseball Stadium Plaza Building Appx. Sq. Ft. | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 |
| Seating Capacity | 49,500 | 49,500 | 49,500 | 49,500 | 49,500 |
| Baseball Games* | 81 | 81 | 81 | 81 | 81 |
| Baseball Games Attendance* | 2,059,331 | 2,091,505 | 2,325,413 | 2,509,924 | 2,129,183 |
| Stadium District Events | 6 | 9 | 7 | 2 | 3 |
| Stadium District Events Attendance | 184,671 | 229,114 | 128,119 | 82,346 | 108,303 |

* 78 of 81 Home Games Played as of 09/17/2014

Source: Maricopa County Stadium District records and Major League Baseball.

Note: All capital assets are used for the Culture and Recreation function, which is the operation of Chase Field.

| Fiscal Year | | | | |
|-------------|-----------|-----------|-----------|-----------|
| 2010 | 2011 | 2012 | 2013 | 2014 |
| 1 | 1 | 1 | 1 | 1 |
| 1,250,000 | 1,250,000 | 1,250,000 | 1,250,000 | 1,250,000 |
| 534,692 | 534,692 | 534,692 | 534,692 | 534,692 |
| 23,000 | 23,000 | 23,000 | 23,000 | 23,000 |
| 49,500 | 49,500 | 49,500 | 49,500 | 49,500 |
| 81 | 81 | 81 | 81 | 78 |
| 2,057,242 | 2,105,432 | 2,177,591 | 2,134,857 | 1,961,307 |
| 2 | 5 | 5 | 9 | 9 |
| 72,174 | 98,305 | 109,679 | 190,783 | 190,783 |

Chase Field ...



...havin' fun in the desert!

