

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT  
(A COMPONENT UNIT OF KING COUNTY)**

Financial Statements

For the Year Ended  
December 31, 2010

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*Independent Accountants' Compilation Report**Board of Directors**Washington State Major League Baseball Stadium Public Facilities District  
Seattle, Washington*Certified Public  
Accountants  
and Consultants

We have compiled the accompanying balance sheet of Washington State Major League Baseball Stadium Public Facilities District (the District), a component unit of King County, Washington, as of December 31, 2010, and the related statement of revenues, expenses, and change in net assets, and statement of cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements or management's discussion and analysis, and, accordingly, do not express an opinion or any other form of assurance on them.

The management discussions and analysis, on pages 2 through 5, are 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 compiled the required supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the required supplementary information.

Certified Public Accountants  
March 9, 2011

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Management's Discussion and Analysis  
December 31, 2010***

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The discussion and analysis of Washington State Major League Baseball Stadium Public Facilities District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2010. The information should be read in conjunction with the financial statements.

***Overview of the Financial Statements***

The District's financial statements consist of the management's discussion and analysis (this section), and financial statements required by the Governmental Accounting Standards Board (GASB). The financial statements include the District's financial statements and notes to the financial statements.

- The financial statements provide information about the District's overall financial position and results of operations. These statements, which are presented on the accrual basis, consist of the Balance Sheet, Statement of Revenues, Expenses, and Changes in Net Assets, and the Statement of Cash Flows.
- The financial statements also include a "Notes to Financial Statements" section that provides additional information that is essential to a full understanding of the data provided in the District's statements.

The District's statements report information about the organization as a whole using accounting methods substantially similar to those used by private sector companies and private, non-profit corporations. The Balance Sheet includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Assets regardless of when cash is received or paid.

***Financial Highlights***

- The District's net assets decreased by \$9,110,492 as a result of current year operations. The decrease is primarily attributed to the normal annual depreciation of the District's capital assets.
- The District's total capital assets decreased by \$12,438,825, primarily due to depreciation expense totaling \$12,903,006.

***Financial Analysis***

**Overall Analysis** - The District's overall financial position did not change significantly from the previous year. Net Assets decreased by \$9,110,492. This decline can be primarily attributed to the annual depreciation of the District's capital assets.

**Total Assets** - Total assets decreased by \$14,554,197 from \$427,689,017 at December 31, 2009, to \$413,134,820 at December 31, 2010. The most significant component of this decrease was depreciation of the capital assets, which was partially offset by the current year capital improvements. Increases and decreases in assets are as follows:

- Cash and Cash Equivalents - The District invests most of its cash and cash equivalents in the King County Investment Pool. Total cash and cash equivalents at December 31, 2010, decreased by \$2,111,368 from the prior year.

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Management's Discussion and Analysis  
December 31, 2010***

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***Financial Analysis - Continued***

- Interest Receivable - Interest receivable decreased by \$5,168 from the prior year.
- Prepaid Expenses - Prepaid expenses increased by \$1,164 from the prior year.
- Capital Assets - Capital assets of the District consist of the baseball stadium, parking garage, land, and office furniture and equipment. The Baseball Club of Seattle, LP (the Mariners) incurred \$1,059,305 in unanticipated maintenance and capital improvement expense (unanticipated capital costs) of the ballpark, for which the Mariners will seek reimbursement from the District from the Excess Revenue Fund. Additionally, the District made a payment of \$225,000 to the Washington State Department of Transportation to reimburse a portion of the cost of a freeway onramp.

**Total Liabilities** - Total liabilities decreased by \$5,443,705 from \$41,521,074 at December 31, 2009, to \$36,077,369 at December 31, 2010. The most significant components of this decrease were a decrease in deferred sales taxes and obligation under excess revenue fund due to the payments made. Increases and decreases in liabilities are as follows:

- Accounts and Wages Payable - Accounts and wages payable decreased by \$3,088.
- Deferred Sales Tax Payable - Overall payable balance decreased by \$3,271,098 from \$16,355,493 at December 31, 2009, to \$13,084,395 at December 31, 2010. The District made the sixth of ten installment payments in 2010.
- Obligation Under Excess Revenue Fund - The obligation decreased by \$2,175,695 from \$25,132,707 at December 31, 2009, to \$22,957,012 at December 31, 2010. The District and the Mariners mutually approved the unanticipated capital costs incurred in 2010 totaling \$1,059,305 that will be reimbursed to the Mariners from the Excess Revenue Fund. The District made payment of \$3,235,000 toward the fund.

**Net Assets** - At December 31, 2010, net assets of the District were \$377,057,451 compared to \$386,167,943 at December 31, 2009. Increase and Decrease in net asset categories are as follows:

- Invested in Capital Assets Net of Related Debt - Balance decreased by \$6,992,032 at December 31, 2010, from December 31, 2009. The decrease is due to depreciation of capital assets totaling \$12,903,006, as well as a decrease in liabilities related to Deferred Sales Tax Payable and Obligations under Excess Revenue Fund totaling \$5,446,793.
- Unrestricted - Net assets in unrestricted net assets decreased by \$2,118,460 at December 31, 2010, from December 31, 2009.

**Operating Revenues** - During 2010, the District recorded rent revenues from the Mariners totaling \$899,820, compared to \$887,396 in 2009. The increase in rent revenue was in accordance with increases set forth in the lease agreement with the Mariners. Additionally, the District recorded admissions tax revenue of \$3,223,310.

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Management's Discussion and Analysis  
December 31, 2010***

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***Financial Analysis - Continued***

**Operating Expenses** - Operating expenses of the District consisted of the following:

	<u>2010</u>	<u>2009</u>
Insurance	\$ 165,901	\$ 152,899
Professional fees	286,146	396,887
Personnel	58,662	66,513
Other	14,059	17,442
Depreciation	<u>12,903,006</u>	<u>12,912,883</u>
<b>Total Operating Expenses</b>	<b><u>\$ 13,427,774</u></b>	<b><u>\$ 13,546,626</u></b>

**Non-Operating Expenses** - Non-operating revenues consisted of investment income totaling \$86,902. Non-operating expenses consisted of interest expense on obligation under excess revenue fund of \$820,124.

**Capital Contribution** - During the year ended December 31, 2010, the Baseball Club of Seattle, LP made a capital contribution of \$974,626 to the District.

***Condensed Financial Statements***

***Balance Sheets as of December 31,***

	<u>2010</u>	<u>2009</u>
Current assets	\$ 3,451,372	\$ 5,566,744
Net capital assets	<u>409,683,448</u>	<u>422,122,273</u>
<b>Total Assets</b>	<b><u>\$ 413,134,820</u></b>	<b><u>\$ 427,689,017</u></b>
Current liabilities	\$ 3,307,060	\$ 3,303,972
Long-term liabilities	<u>32,770,309</u>	<u>38,217,102</u>
<b>Total Liabilities</b>	<b>36,077,369</b>	<b>41,521,074</b>
Invested in capital assets, net of related debt	373,642,041	380,634,073
Unrestricted	<u>3,415,410</u>	<u>5,533,870</u>
<b>Total Net Assets</b>	<b><u>377,057,451</u></b>	<b><u>386,167,943</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 413,134,820</u></b>	<b><u>\$ 427,689,017</u></b>

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Management's Discussion and Analysis  
December 31, 2010***

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***Condensed Financial Statements – Continued***

***Statements of Revenues, Expenses, and Changes in Net Assets  
For the Years Ended December 31,***

	<u>2010</u>	<u>2009</u>
Operating revenues	\$ 4,123,130	\$ 2,385,381
Operating expenses	<u>(13,427,774)</u>	<u>(13,546,626)</u>
Total Operating Loss	(9,304,644)	(11,161,245)
Non-operating Loss	<u>(780,474)</u>	<u>(549,576)</u>
<b>Total Change in Net Assets</b>	<b><u>(10,085,118)</u></b>	<b><u>(11,710,821)</u></b>
<b>Net Assets, Beginning of Year</b>	<b>386,167,943</b>	<b>397,878,764</b>
Capital contribution	<u>974,626</u>	<u>                    </u>
<b>Net Assets, End of Year</b>	<b><u>\$ 377,057,451</u></b>	<b><u>\$ 386,167,943</u></b>

***Budget***

The District's operating results are consistent with its operating budgets.

***Capital Assets and Long Term Debt Activity***

The District's capital assets include the baseball stadium, parking garage, related land, and furniture, fixtures and equipment. The baseball stadium and parking garage are under long-term lease with the Mariners. In 2010, the District's total capital assets balance decreased by \$12,438,825 from the prior year due to depreciation, offset by capital improvements.

The District's long-term debts include Deferred Sales Tax Payable and Obligation under Excess Revenue Fund. In 2010, the deferred sales tax payable balance decreased by \$3,271,098 due to the sixth installment payment made. In 2010, the District and the Mariners mutually approved the unanticipated capital costs incurred in 2010 totaling \$1,059,305, which will be reimbursed to the Mariners from the Excess Revenue Fund. The District made a payment of \$3,235,000 toward the Obligation under Excess Revenue Fund. See Note 9 of the financial statements for further discussion of the Obligation under Excess Revenue Fund.

***Other Potentially Significant Factors Impacting Next Year***

The District was granted a sales and use tax deferral certificate by State of Washington Department of Revenue on qualifying acquisitions made for five years after the completion of the ballpark. The sixth of ten installment payments was made on December 20, 2010.

***Contacting the District's Financial Management***

This financial report is designed to provide a general overview of the District's finances and to show the District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the District, at P.O. Box 94445, Seattle, WA 98124.

**WASHINGTON STATE MAJOR LEAGUE BASEBALL  
PUBLIC FACILITIES DISTRICT**

***Balance Sheet***  
***December 31, 2010***

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*Assets*

**Current Assets:**

Cash and cash equivalents (Note 6)	\$ 3,435,069
Interest receivable	3,298
Prepaid expenses	13,005

**Total Current Assets** **3,451,372**

**Capital Assets - Noncurrent (Note 2):**

Baseball stadium	491,246,353
Parking garage	24,873,877
Land	38,424,405
Furniture, fixtures and equipment	64,981
Accumulated depreciation	(144,926,168)

**Total Capital Assets - Noncurrent** **409,683,448**

**Total Assets** **\$ 413,134,820**

*Liabilities and Net Assets*

**Current Liabilities:**

Accounts payable	\$ 33,638
Wages and vacation payable	2,324
Deferred sales tax payable - current (Note 4)	3,271,098

**Total Current Liabilities** **3,307,060**

Deferred sales tax payable - noncurrent (Note 4)	9,813,297
Obligation under excess revenue fund - noncurrent (Note 9)	22,957,012

**Total Liabilities** **36,077,369**

**Net Assets:**

Invested in capital assets net of related debt	373,642,041
Unrestricted	3,415,410

**Total Net Assets** **377,057,451**

**Total Liabilities and Net Assets** **\$ 413,134,820**

*See accompanying notes and independent accountants' compilation report.*

**WASHINGTON STATE MAJOR LEAGUE BASEBALL  
PUBLIC FACILITIES DISTRICT**

***Statement of Revenues, Expenses, and Changes in Net Assets  
For the Year Ended December 31, 2010***

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***Operating Revenues***

Admission tax revenue (Note 9)	\$ 3,223,310
Ballpark rent (Note 8)	<u>899,820</u>
Total operating revenues	<u>4,123,130</u>

***Operating Expenses***

General and administrative	(524,768)
Depreciation	<u>(12,903,006)</u>
Total operating expenses	<u>(13,427,774)</u>

**Total Operating Loss** **(9,304,644)**

***Non-Operating Revenues and Expenses***

Interest earnings	86,902
Unrealized investment loss	(47,252)
Interest expense	<u>(820,124)</u>
Total Non-Operating Loss	<u>(780,474)</u>

**Total Decrease in Net Assets** **(10,085,118)**

Net Assets - January 1, 2010 386,167,943

Capital contribution 974,626

**Net Assets - December 31, 2010** **\$ 377,057,451**

*See accompanying notes and independent accountants' compilation report.*

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Statement of Cash Flows***  
***For the Year Ended December 31, 2010***

<b>Cash Flows from Operating Activities:</b>	
Payment on operating expenses	\$ (522,844)
Payment on deferred sales tax payable	(3,271,098)
Admission tax revenue	3,223,310
Rent	899,820
	<u>899,820</u>
<b>Cash Provided by Operating Activities</b>	<b>329,188</b>
<b>Cash Flows from Investing Activities:</b>	
Interest earnings	92,070
Investment loss on cash and cash equivalents	(47,252)
Payment for fixed assets	(225,000)
	<u>(225,000)</u>
<b>Cash Used in Investing Activities</b>	<b>(180,182)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Capital contribution	974,626
Payment of obligation under excess revenue fund	(3,235,000)
	<u>(3,235,000)</u>
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(2,260,374)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(2,111,368)</b>
Cash and Cash Equivalents - January 1, 2010	<u>5,546,437</u>
<b>Cash and Cash Equivalents - December 31, 2010</b>	<b><u>\$ 3,435,069</u></b>

***Reconciliation to Operating Income***

Operating income	\$ (9,304,644)
Adjustment to reconcile net cash from operating activities:	
Depreciation	12,903,006
Changes in assets/liabilities:	
Accounts payable	4,797
Wages payable	(1,709)
Prepaid expenses	(1,164)
Deferred sales tax payable	(3,271,098)
	<u>(3,271,098)</u>
<b>Cash Provided by Operating Activities</b>	<b><u>\$ 329,188</u></b>

*See accompanying notes and independent accountants' compilation report.*

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Notes to Financial Statements  
December 31, 2010***

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***Note 1 - Summary of Significant Accounting Policies***

**The Reporting Entity** - The Washington State Major League Baseball Stadium Public Facilities District (PFD or the District) was created through the passage of EHB 2115 and King County Ordinance 12000, which was approved by the Metropolitan King County Council on October 24, 1995. The District operates as a municipal corporation of the State of Washington and was formed to site, design, build and operate a major league baseball park.

**Basis of Accounting** - The PFD uses the accrual basis of accounting. Expenses are recorded at the time liabilities are incurred and revenues are recorded when earned.

**Accounting Standards** - The PFD is not applying the Statements and Interpretations issued by the Financial Accounting Standards Board after November 30, 1989.

**Operating and Non-operating Activity** - Operating activities represent revenues and expenses related to the lease, including admission tax revenue. Non-operating activities are the revenues and expenses related to investments and debt.

**Cash and Cash Equivalents** - For purpose of reporting cash flows, the District considers all highly liquid instruments purchased with an original maturity of three months or less and investments in the King County Treasury Division's Investment Pool to be cash equivalents. The King County Treasury Division Manager pools and invests all short-term cash surpluses not otherwise invested by individual funds of the County. Earnings from these pooled investments are allocated to the PFD based upon the PFD's proportionate share in the pooled investments.

**Capital Assets** - Capital assets include land, the Baseball Stadium and furniture, fixtures, and equipment. Baseball Stadium includes all costs associated with the development and construction of the Ballpark Project. Furniture, fixtures, and equipment include items with a cost greater than or equal to \$500.

Capital assets are valued at historical costs, and depreciated on a straight-line basis based over their estimated useful lives. Furniture, fixtures, and equipment are depreciated over three or five years. The Baseball Stadium is depreciated over 40 years from the date it was placed in service.

**Risk Management** - The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions, injuries to employees, and natural disasters. The District carries commercial insurance for risk of loss. The District did not settle any claims in excess of its commercial insurance coverage during the year ended December 31, 2010.

**Compensated Absences Payable** - District employees earn 12 days of sick leave and 10 to 15 days of vacation per year, depending on the employee's length of service. An unlimited amount of sick leave and two times the annual vacation allotment may be accrued. An employee leaving the employment of the District is entitled to be paid for all unused vacation. Unused sick leave is forfeited upon termination of employment. The accrual for unused vacation is included in wages and vacation payable in the accompanying balance sheet.

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Notes to Financial Statements  
December 31, 2010***

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***Note 2 - Capital Assets***

The following is a summary of changes in capital assets:

	<i>Balance December 31, 2009</i>	<i>Increases</i>	<i>Non-cash Increase</i>	<i>Decreases</i>	<i>Balance December 31, 2010</i>
<b>Capital Assets Not Being Depreciated</b>					
Land	\$ 38,424,405	\$ -	\$ -	\$ -	\$ 38,424,405
<b>Capital Assets Not Being Depreciated</b>	<b>38,424,405</b>				<b>38,424,405</b>
<b>Capital Assets being Depreciated</b>					
Capital Asset Cost:					
Baseball stadium	490,782,172	225,000	239,181		491,246,353
Parking garage	24,873,877				24,873,877
Furniture, fixtures, equipment	64,981				64,981
	515,721,030	225,000	239,181		516,185,211
Accumulated Depreciation:					
Baseball stadium	125,739,711	12,281,159			138,020,870
Parking garage	6,218,470	621,847			6,840,317
Furniture, fixtures, equipment	64,981				64,981
	132,023,162	12,903,006			144,926,168
<b>Total Net Capital Assets Being Depreciated</b>	<b>383,697,868</b>	<b>(12,678,006)</b>	<b>239,181</b>		<b>371,259,043</b>
<b>Total Net Capital Assets</b>	<b>\$ 422,122,273</b>	<b>\$ (12,678,006)</b>	<b>\$ 239,181</b>	<b>\$ -</b>	<b>\$ 409,683,448</b>

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Notes to Financial Statements  
December 31, 2010***

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***Note 2 - Continued***

The following is a summary of the major components of Baseball Stadium and Parking Garage:

General construction	\$ 382,802,285
Other project costs	75,153,101
Architectural and engineering	26,491,166
Environmental	11,508,482
Indirect district costs	12,764,403
Permits	2,347,824
Mitigation	3,082,314
Project management	1,028,881
Legal Fees	591,468
Special project costs	<u>350,306</u>
<b>Total Project</b>	<b><u>\$ 516,120,230</u></b>

***Note 3 - Employee Benefit Plans***

All employees of the District can participate in either the Public Employees' Retirement System (PERS) or the Stadium PFD Retirement Plan. Employer contributions are paid by the District in accordance with rates specified by the individual plans. Total payroll covered by all systems for the year ended December 31, 2010, was \$33,415.

**Public Employees' Retirement System** - The State Legislature established PERS in 1947 under RCW chapter 41.40. PERS is a cost-sharing multiple-employer system. The PFD Board of Directors adopted participation in the PERS Plan in 1996. PFD did not have any employee participating in PERS during 2010.

**Stadium PFD Retirement Plan** - Employees are able to select the Stadium PFD Retirement Plan (the Plan) as an alternative benefit plan to PERS. The Plan is designated as a profit sharing plan in accordance with section 401(a)(27)(B) of the Internal Revenue Code.

The District makes all contributions to the Plan. No contributions by participants are required or permitted other than rollover contributions authorized by the Plan. The contributions are discretionary but shall be no less than the greater of seven and one-half percent of employee wages or the amount that would be required by PERS. All contributions to the Plan vest immediately. Actual contributions made to the Plan in 2010 were \$405.

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Notes to Financial Statements  
December 31, 2010***

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***Note 4 - Deferred Sales Tax Payable***

PFD was granted a Sales and Use Tax Deferral Certificate by the State of Washington Department of Revenue. State and local retail sales tax and use tax due on qualifying acquisitions made from July 25, 1996 to July 31, 1999 were deferred until five years after the completion of the Baseball Park. Qualifying acquisitions include material, labor, services utilized in the construction of the stadium, and machinery and equipment integral and necessary for the operation of the ballpark. Payments on the deferred taxes are due in ten annual installments, which started on December 31, 2004. At December 31, 2010, total sales taxes deferred were \$13,084,395.

Estimated annual payments on deferred sales tax payable are as follows for the years ending December 31:

2011	\$ 3,271,098
2012	3,271,098
2013	3,271,098
2014	<u>3,271,101</u>
	<b><u>\$ 13,084,395</u></b>

***Note 5 - Contributed Capital***

Under King County Ordinance 12000, the County issued five series of general obligation bonds for the purpose of funding the construction of the Baseball Park and related parking facilities. Total par value of \$336,000,000 less any costs related to bond issuing were contributed to the PFD. Additionally, the Mariners have contributed \$123,728,493 for the construction in prior years and \$974,626 in 2010. The contributed capital is included in the net assets invested in capital assets net of related debt balance.

***Note 6 - Deposits with Financial Institutions and Investments***

The King County Treasurer is the ex-officio treasurer for the District. In this capacity, the County Treasurer receives deposits and transacts investments on the District's behalf. The District's deposits are covered entirely by federal depository insurance or uninsured but collateralized under the Public Deposit Protection Commission of the State of Washington (PDPC) collateral pool. The PDPC's agent in the name of the pool holds pledged securities under the PDPC pool.

Statutes authorize the District to: 1) deposit in any state bank or trust company, national banking association, stock savings bank, mutual savings bank, savings and loan association, and any branch bank engaged in banking in this state, if the institution has been approved by the PDPC to hold public deposits; and 2) invest in obligations of the United States Treasury and instrumentalities, banker's acceptances issued in the secondary market, commercial paper, primary certificates of deposits issued by PDPC qualified public depositories, and the State Treasurer's Investment Pool. The District is also authorized to enter into repurchase and reverse repurchase agreements.

All of the District's investments during the year and at year-end were insured or registered, or were held by the District or its agent in the District's name. The District does not have a custodial credit risk policy.

**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
PUBLIC FACILITIES DISTRICT**

***Notes to Financial Statements  
December 31, 2010***

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***Note 7 - Final Project Budget***

The final Ballpark project budget is \$514 million. This includes land acquisition, construction and development costs for both the ballpark and parking garage. This exceeds the original project budget by approximately \$100,000,000. In the Development Agreement, the Lease Agreement, and the Agreement to Proceed to Construction between the District and The Baseball Club of Seattle, LP (The Mariners, or The Club), the Club agreed to make an initial contribution to the project of \$45,000,000 plus pay all additional costs overruns. The Club made payments of \$124,044,172 through December 31, 2010.

***Note 8 - Ballpark Rent***

The lease between the District and the Club runs through 2018, and calls for base rent of \$700,000 per year, with an annual CPI index adjustment. Rent for the 2010 season was \$899,820. The lease has two five-year extension options.

***Note 9 - Obligation under Excess Revenue Fund***

Under the lease, the Excess Revenue Fund (the Fund) may be used to fund certain unanticipated Major Maintenance and Capital Improvement Expenses (collectively, "Unanticipated Capital Costs"). The Club has the right to obtain reimbursement from the Excess Revenue Fund for costs of repairs or maintenance that fall under the definition of "Unanticipated Capital Costs" it incurs, prior to funds being available in the fund. Obligations under the Fund require mutual approval of the PFD and the Club, and are limited to amounts available in the Fund and Fund revenues. The source of funding for the Excess Revenue is the 5% admission tax. This tax will fund the Excess Revenue Fund only after the taxable bond issue (the parking garage bonds) has been retired. The obligation to be paid under the Excess Revenue Fund is limited to amounts available in the Fund and cannot exceed the Fund revenues. Amounts accrued to the Fund totaled \$22,957,012 at December 31, 2010.