MINNESOTA SPORTS FACILITIES AUTHORITY

MINNESOTA SPORTS FACILITIES AUTHORITY • MINNEAPOLIS, MINNESOTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT 2014

FISCAL YEAR ENDED DECEMBER 31, 2014

— A COMPONENT UNIT OF THE STATE OF MINNESOTA —

MINNESOTA SPORTS FACILITIES AUTHORITY • MINNEAPOLIS, MINNESOTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT 2014

FISCAL YEAR ENDED DECEMBER 31, 2014

— A COMPONENT UNIT OF THE STATE OF MINNESOTA —

FINANCE DEPARTMENT
511 ELEVENTH AVENUE SOUTH, SUITE 401
MINNEAPOLIS, MINNESOTA 55415

MINNESOTA
SPORTS FACILITIES
AUTHORITY

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— A COMPONENT UNIT OF THE STATE OF MINNESOTA —

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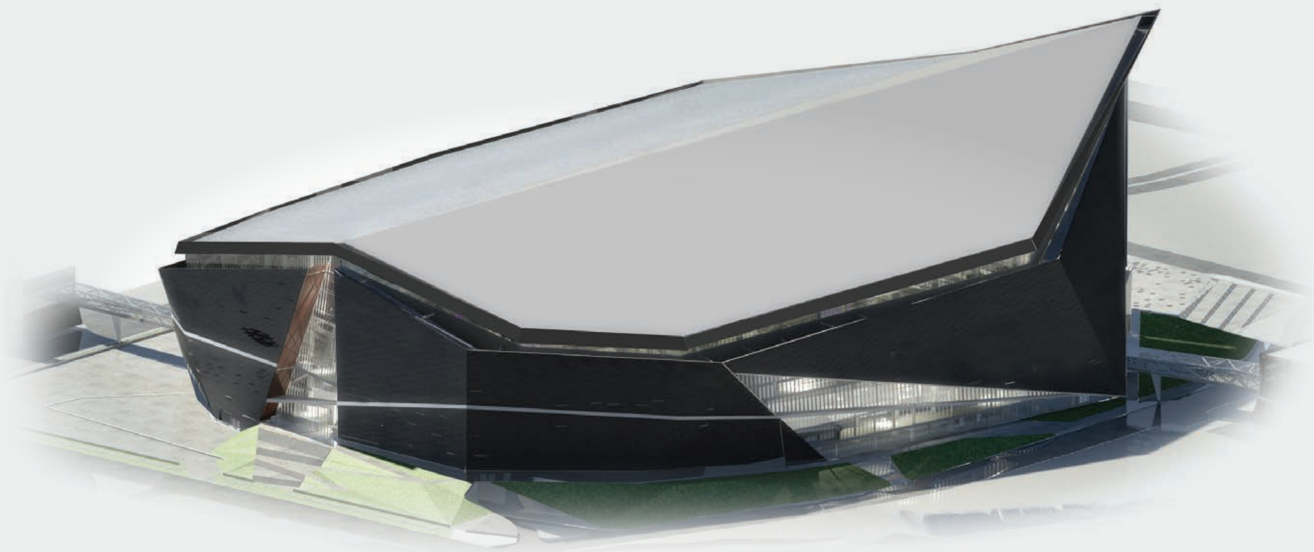
INTRODUCTORY SECTION

The Introductory Section contains the letter of transmittal, which provides an overview of the Minnesota Sports Facilities Authority's finances, economic prospects and achievements. Also included in this section is the list of commissioners and administrative officials, the organization chart and Certificate of Achievement for Excellence in Financial Reporting, awarded by the Government Finance Officers Association. It is the highest form of recognition in governmental financial reporting.



NEW STADIUM

— North East Perspective —

Minnesota Sports Facilities Authority
511 Eleventh Avenue South, Suite 401, Minneapolis, MN 55415

June 22, 2015

Chair Michele Kelm-Helgen
And Commissioners of the Minnesota Sports Facilities Authority
511 Eleventh Avenue South, Suite 401
Minneapolis, Minnesota 55415

Dear Chair Kelm-Helgen and Commissioners:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Minnesota Sports Facilities Authority (Authority) for the fiscal year ended December 31, 2014. The financial statements included in this report conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the Authority. All necessary disclosures have been included to enable the reader to gain the maximum understanding of the Authority's financial affairs.

The report is divided into three sections:

- **Introductory Section –** includes this letter of transmittal, the Authority's organization chart, a list of Commissioners and administrative officials, and the Certificate of Achievement issued by the Government Finance Officers Association for the fiscal year ended December 31, 2013.

- **Financial Section –** includes the auditor's opinion, management's discussion and analysis, and the basic financial statements including the notes to the financial statements (notes) which are necessary for an understanding of the information included in the statements. The notes include a summary of significant accounting policies and other necessary disclosure of matters relating to the financial position of the Authority.

- **Statistical Section –** includes mainly trend data and nonfinancial information useful in assessing the Authority's financial condition.

The Authority's management is responsible for establishing and maintaining an internal control structure designed to ensure that its assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable but not absolute assurance that these objectives are met and that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires estimates and judgments by management. As management we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

Minnesota State Statutes, Chapter 473J.07, Subd.7, require the Minnesota Office of the Legislative Auditor perform an annual audit of the financial statements of the Authority. The independent auditor's report is presented as the first component of the financial section of this report. The goal of the audit is to provide reasonable assurance that the financial statements of the Authority, for the year ended December 31, 2014, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The Minnesota Office of the Legislative Auditor has issued an unqualified ("clean") opinion on the Authority's financial statements for the year ended December 31, 2014. A separate Report on Internal Control over Financial Reporting and Compliance and Other Matters will be issued at a later date.

The reader is referred to Management's Discussion and Analysis (MD&A) section for additional information regarding the activities and financial position of the Authority. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE AUTHORITY

In May 2012 the Minnesota Legislature established the Authority as a public body and a political subdivision of the state. Per the legislation the Authority is comprised of five members who were appointed within 30 days of enactment of the statutes. The statutes required the governor of the state of Minnesota appoint the chair and two additional members, and it required the mayor of the city of Minneapolis appoint two members. The members serve four year terms. Governor Mark Dayton appointed Michele Kelm-Helgen as the chair and he appointed two additional members: Duane Benson and John Griffith. City of Minneapolis Mayor R.T. Rybak appointed Barbara Butts Williams and Bill McCarthy to the Authority. The Authority appointed Ted Mondale as its CEO/Executive Director.

The Authority's mission is to provide for the construction, financing, and long-term use of a new multi-purpose stadium and related stadium infrastructure as a venue for professional football and a broad range of other civic, community, athletic, educational, cultural, and commercial activities.

An annual operating budget is adopted on a basis consistent with generally accepted accounting principles. Discussion and preparation of the fiscal year 2015 annual operating and capital budgets began in November 2014 and then in December 2014 the Authority approved and adopted the 2015 budgets. This budget process will be followed for adoption of the 2016 budget. Per Minnesota Statutes section 3.8842 the Legislative Commission on Minnesota Sports Facilities (Legislative Commission) is required to oversee the Authority's operating and capital budgets. The Authority submitted its 2015 operating and capital budgets to the Legislative Commission on January 15, 2015. Quarterly budget to actual comparisons are presented to the Authority.

ECONOMIC CONDITION and OUTLOOK

Local Economy

Both statewide and regional indicators show how the local economy has expanded and made steady progress in the past year. The seven-county Twin Cities metropolitan population continues to grow, the unemployment rate has remained low, and both residential and commercial real estate markets show strength. In 2014 there were 17 Fortune 500 companies that were headquartered in the Twin Cities seven-county metropolitan area.

Employment growth and opportunity attract new residents to an area who will live, work, and play in the community and who may attend and/or participate in future events at the stadium. According to Metropolitan Council Regional Economic Indicators Report dated May 2015, employment increased 1.8 percent from December 2013 to December 2014. The per capita income for residents of the region in 2013 was $51,183 which is an increase of .7 percent from 2012. In 2014 the average unemployment rate for the Twin Cities region was 3.9 percent which is a decrease of .9 percent from 2013. Employment gains are broad based and include healthcare, professional and business services, and the goods-producing sector, construction and manufacturing are growing at a strong pace. Strength in Minnesota has been led by manufacturers of fabricated metal products, transportation equipment, and food. The state's employment growth is forecast to grow at a strong annual pace of 1.6 percent in 2015 and 1.8 percent growth in 2016.

Consumer purchases and household finances are important economic indicators for the sports and entertainment industry as they influence future stadium event attendance, ticket pricing, concession food and beverage pricing, and event space rental pricing. The gross metro product totaled $227.8 million in 2013. The metropolitan area has the nation's 13th largest metropolitan economy. The region's retail market in 2014 was very robust as several new construction projects, redevelopment projects, and expansion projects dotted the landscape. The industrial sector also continued to grow in 2014 as the vacancy rate for industrial space remained low. The office market experienced high demand in 2014, which resulted in an increase in rental rates and several large multi-tenant new construction projects. The office vacancy rate was 16.1 percent at the end of 2014. In 2013, 41.7 percent of adults held a bachelor's degree or higher and 81.4 percent of working-age adults were in the labor force and 78.4 percent were employed.

Major Initiatives and Accomplishments

In 2014 the Authority's mission was to act as the developer of the Minnesota's Multi-Purpose Stadium and related infrastructure. Demolition of the former stadium was completed in the spring of 2014 and construction of the stadium continued throughout 2014. In February 2014 additional parcels of land and buildings were acquired for the development of stadium related parking facilities and skyways.

Downtown East Parking Garage

On February 3, 2014, the Authority purchased the Downtown East Parking Ramp for $17,421,193. The ramp has 455 parking spaces and is located beneath the stadium plaza on a site adjacent to the stadium site. The Authority utilized the services of a management company to operate the parking ramp in 2014 and 2015. Beginning on January 1, 2016 Ryan Companies will operate the Downtown East parking ramp.

Block 1 Parking Ramp and Skyways

On February 10, 2014, the Authority purchased a parcel of property near the stadium site in downtown Minneapolis known as Block 1 for $7,701,120. This was a surface parking lot that was operated until August 31, 2014. On September 1, 2014 the lot closed and demolition on the site began in preparation for construction of the Block 1 Parking Ramp. Construction cost for the parking ramp is $41,253,484. In addition to this ramp two skyways will be constructed. The stadium skyway will connect this parking ramp to the stadium and the Ryan skyways will connect the Block 1 parking ramp to the two office towers and to the Jerry Haaf parking ramp. The cost for construction of the Ryan skyways is $6,456,286 and the cost for construction of the stadium skyway is $3,964,314. On January 1, 2016 Ryan Companies will operate the Block 1 parking ramp.

Minnesota's New Multi-Purpose Stadium

Minnesota's Multi-Purpose Stadium is located in the heart of downtown Minneapolis and is being built on the site of the former stadium. The new stadium has a unique and iconic architecture that will serve as an anchor to the Minneapolis cityscape. It will have a fixed roof with the largest span of transparent ETFE (ethylene tetrafluoroethylene) in the country, five massive pivoting doors, and soaring glass walls. The stadium will have a retail store, 65,400 seats, 8,000 club seats, 131 private suites, six club lounges, and 1.75 million square feet of space for hosting the Minnesota Vikings football games, concerts, family shows, conventions, trade/consumer shows, and various other sporting events. Concourse width will range from 32 to 50 feet and two concourses will have 360-degree circulation and various views into the stadium bowl. There will be 2,000 high definition televisions throughout the stadium. The seven levels of the stadium will be connected by stairs, a ramp, 34 escalators, and 11 elevators.

Construction work began in December 2013 with mass excavation and retaining wall work and continued throughout 2014. Work in 2014 included drilled piers and caisons, poured foundation walls and columns, underground utility work, waterproofing, poured super truss buttress foundations, poured elevated decks, mechanical electrical plumbing work, poured slab on grades, erection of structural steel for roof trusses, masonry and drywall work, and installation of pre-cast stadia.

Opening of the stadium is planned for August 2016 and the Authority and SMG, a third party operating manager, are aggressively marketing the stadium for future events.

Future Events

A commitment was made by Governor Mark Dayton to the state of Minnesota that a stadium facility would be built that would host a variety of large scale, visible events. Bringing Super Bowl 2018 and the 2019 NCAA Final Four to Minnesota is an integral part of that commitment. These events bring a multitude of opportunities for fans and visitors to be involved in the festivities and it can have a large economic impact on the community and the stadium.

Minnesota Super Bowl 2018

On May 20, 2014, the National Football League (NFL) announced that Minnesota was selected to host Super Bowl LII in 2018. Minnesota Super Bowl local organizing committee (LOC) was created and includes three corporate leaders as co-chairs, a CEO and several other staff members. The Super Bowl LOC is responsible for the success of the Super Bowl game in Minneapolis. The LOC was formed to manage community outreach, government relations, lodging, communications, transportation, and volunteers for the main event and all of the related events. The LOC is also responsible for securing the requisite funds to finance the event.

The Authority is working with the LOC committee to develop a Minnesota Super Bowl theme with many innovative ideas for a new kind of event that will deliver action and excitement both inside the stadium and at other locations. Approximately 100,000 people will come to the Minneapolis/Saint Paul metropolitan area to experience this special event and the various other outdoor activities. The February 2018 championship game will be held in the new stadium and its seating capacity will be expanded from 65,400 seats to 72,000 seats.

NCAA Final Four

Minneapolis was selected in November 2014 to be the host location for the 2019 National Collegiate Athletic Association (NCAA) Final Four men's basketball tournament. The NCAA Final Four Local Organizing Committee (LOC) was formed and includes two corporate business leaders and a CEO. The NCAA LOC will serve as the ambassador to the universities' representatives, fans and guests who will attend the event. The NCAA LOC will act as the coordinator and provider of local resources, including city services, permitting, event venues, accommodations and volunteers. The LOC is also responsible for securing the requisite funds to finance the event. Various event opportunities are being planned to create an urban experience with a week of celebratory events for the fans. Multiple events associated with the tournament will be held throughout Minneapolis.

College Football Playoff National Championship
In 2014 a new playoff arrangement to determine a college football national champion was started and is known as the College Football Playoff (CFP). Each year a local community will host the College Football Playoff National Championship Game (CFPNCG) which will be a celebration of college football and will note the accomplishments of student-athletes and emphasize the values of higher education and the immense benefits of athletics within the academic tradition. The College Football Group (CFG) solicited proposals for events to be held in 2018, 2019, and 2020.

In May 2015, the Authority submitted a bid for the CFPNCG to be held at the stadium on January 13, 2020. The bid committee was established and includes two corporate business leaders, honorary co-chairs, and representatives from the Authority, Meet Minneapolis, the University of Minnesota, and a bid director. The CFG will announce the location of the 2020 event in October 2015.

FINANCIAL INFORMATION

Reserve Policy
In 2012 the Authority implemented a liquidity/reserves policy to ensure that adequate liquidity is maintained to meet operational expense requirements and avoid the use of short-term debt to fund cash flow requirements. Prudent financial management necessitates the maintenance of adequate financial cash balances. The Authority is required to maintain a cash position in its operating fund to meet six months of operational expenses. The minimum liquidity/reserve requirement is $6 million.

OTHER INFORMATION

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 Authority for its CAFR for the fiscal year ended December 31, 2013. This was the second year that the Authority received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR will meet the Certificate of Achievement Program's

Minnesota Sports Facilities Authority
511 Eleventh Avenue South, Suite 401, Minneapolis, MN 55415

requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate. The Certificate of Achievement is a prestigious national award which recognizes conformance with the highest standards for preparation of state and local government financial reports.

This CAFR reflects our commitment to the Authority and all interested readers of this report to provide information in conformance with the highest standards of financial reporting. Preparation of this CAFR was made possible by the dedicated service of Sue Arcand. She has our sincere appreciation for the contributions she made in the preparation of this report. Appreciation is also expressed to the Commissioners for their cooperation and outstanding assistance in matters pertaining to the financial affairs of the Authority.

Respectfully submitted,

Ted Mondale | Mary Fox-Stroman

TED MONDALE
CEO/Executive Director

MARY C. FOX-STROMAN, CPA
Director of Finance

Phone: 612.332.0386 TTY: 1.800.627.3529 Fax: 612.332.8334 www.msfa.com

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Minnesota Sports Facilities Authority

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

LIST OF COMMISSIONERS & ADMINISTRATIVE OFFICIALS

— DECEMBER 31, 2014 —

COMMISSIONERS (left to right):

BILL McCARTHY • MICHELE KELM-HELGEN • DUANE BENSON
BARBARA BUTTS WILLIAMS • JOHN GRIFFITH

	TERM OF OFFICE:	
COMMISSIONERS:	**Appointed**	**End of Term**
MICHELE KELM-HELGEN, *Chair*	June 2012	January 2015
BILL McCARTHY, *Vice Chair*	June 2012	December 2016
DUANE BENSON, *Secretary & Treasurer*	June 2012	December 2015*
BARBARA BUTTS WILLIAMS	June 2012	December 2015
JOHN GRIFFITH	June 2012	December 2016

CEO/Executive Director
TED MONDALE

Director of Facilities/Engineering
STEVE MAKI, P.E.

Director of Finance
MARY C. FOX-STROMAN, CPA

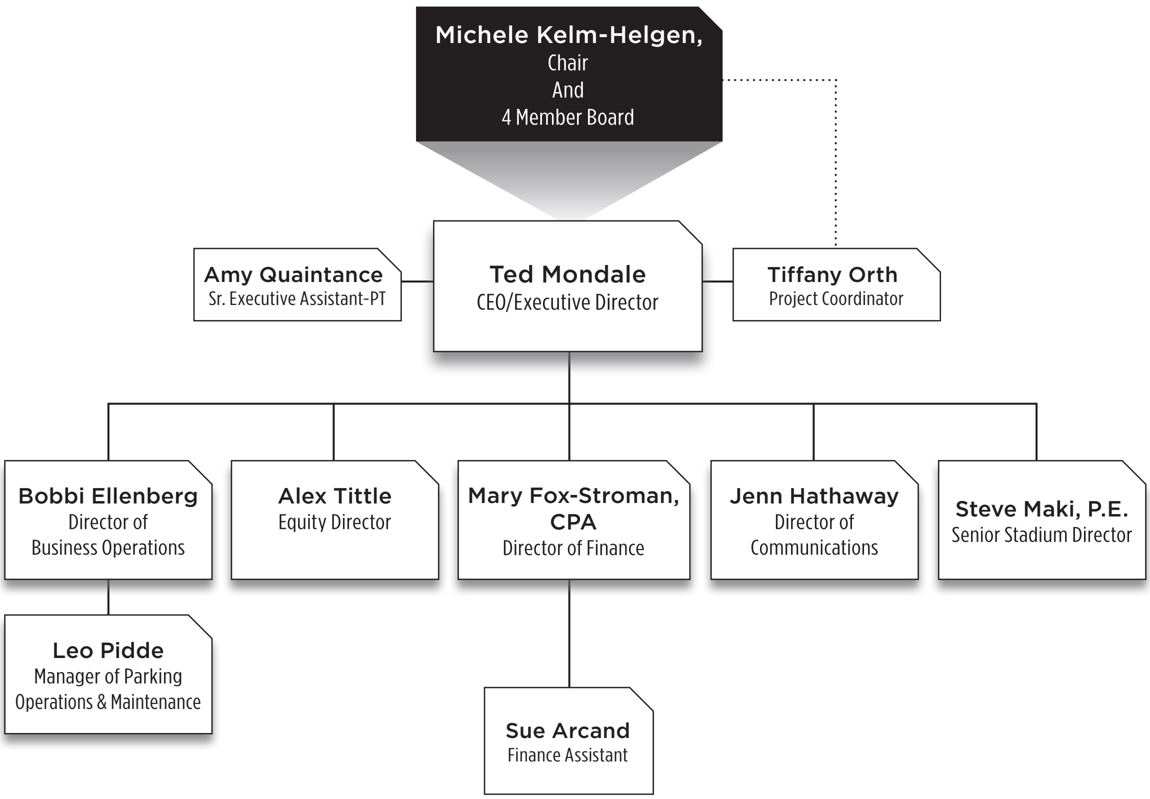
Equity Director
ALEX TITTLE

Director of Communications
JENN HATHAWAY

*Commissioner Benson resigned effective August 2015.

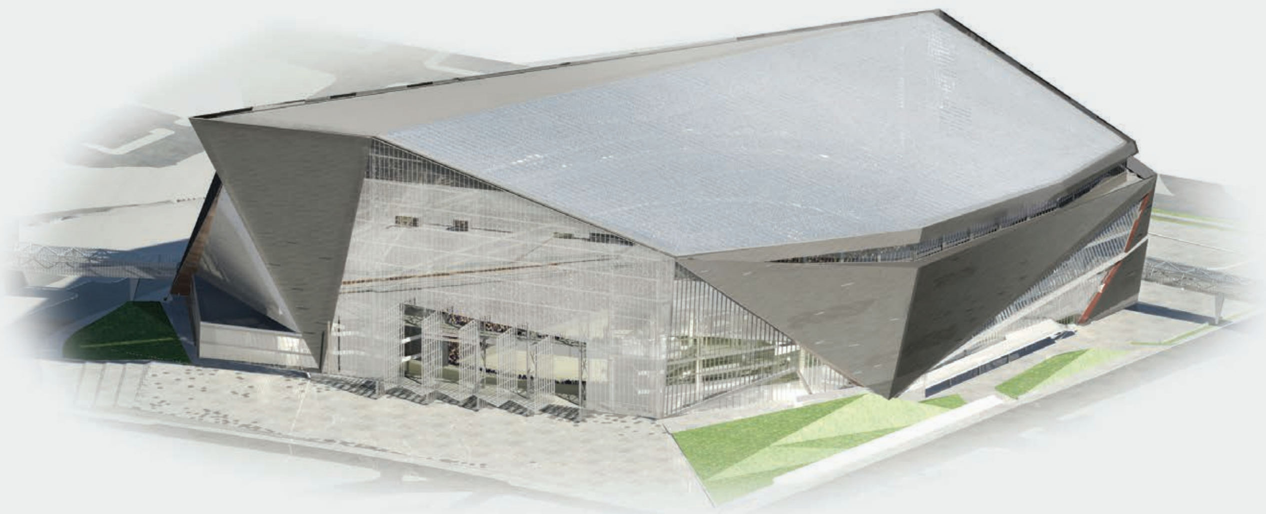
ORGANIZATION CHART

— DECEMBER 31, 2014 —



FINANCIAL SECTION

The Financial Section includes the independent auditor's report, management's discussion and analysis, and the basic financial statements including the accompanying notes.



NEW STADIUM
— South West Perspective —

Independent Auditor's Report

Representative Sondra Erickson, Chair
Legislative Audit Commission

Members of the Legislative Audit Commission

Ms. Michele Kelm-Helgen, Chair
Minnesota Sports Facilities Authority

Members of the Minnesota Sports Facilities Authority

Mr. Ted Mondale, CEO/Executive Director
Minnesota Sports Facilities Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Minnesota Sports Facilities Authority, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Authority'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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 controls relevant to the Minnesota Sports Facilities Authority's preparation and fair presentation of the financial statements in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. 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 our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Minnesota Sports Facilities Authority as of December 31, 2014, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis 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 Included With the Financial Statements

Our audit was conducted for the purposes of forming an opinion on the financial statements that collectively comprise the Minnesota Sports Facilities Authority's basic financial statements. The Introductory Section and Statistical Section, as listed in the Table of Contents, are presented for the purposes of additional analysis and are not a required part of the Minnesota Sports Facilities Authority's basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report on our consideration of the Minnesota Sports Facilities Authority's internal controls 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 controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

James R. Nobles
Legislative Auditor

Cecile M. Ferkul, CPA
Deputy Legislative Auditor

Saint Paul, Minnesota
June 22, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Minnesota Sports Facilities Authority (Authority) Comprehensive Annual Financial Report presents a narrative overview and analysis of the Authority's financial performance for its fiscal year ended December 31, 2014. The intent of this discussion and analysis is to look at the Authority's financial performance as a whole. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 7-13 of this report, and the basic financial statements including the notes to the financial statements, and the required supplementary information which can be found on pages 28-47, as this will enhance their understanding of the Authority's financial performance.

Financial Highlights

The basic financial statements report information about the Authority using the economic resources measurement focus and accrual basis of accounting. Key financial highlights for the fiscal year ended December 31, 2014 are as follows:

- Construction in progress equaled $355,964,097. This is an increase of $312,407,821 from the balance at December 31, 2013.
- The Authority's total net position (assets less liabilities) was $406,199,405 at December 31, 2014. Of this amount, $16,692,006 represents unrestricted net position which may be used to meet the Authority's ongoing obligations, and $389,507,399 represents its investment in capital assets.
- The Authority's net position increased by $331,717,716 primarily because of capital contributions for the stadium construction project from the Minnesota Vikings Football Stadium LLC, state of Minnesota, city of Minneapolis, and private contributions.
- At December 31, 2014 there was a net operating loss of $4,095,592 due to operating expenses of $4,559,641 exceeding operating revenues of $464,049. The deficit is primarily due to the Authority ceasing event operations and the closure and demolition of the Metrodome.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The financial section of this comprehensive annual report consists of:

(1) Independent Auditor's Report
(2) Management's Discussion and Analysis (presented here)
(3) Basic (Enterprise fund) Financial Statements:
    a. Statement of net position
    b. Statement of revenues, expenses, and changes in net position
    c. Statement of cash flows
(4) Notes to the Financial Statements

The Authority uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The Authority maintains one proprietary fund, an enterprise fund. The enterprise fund financial statements report information about the Authority using accounting methods similar to those used by private-sector businesses in which costs are recovered primarily through user charges. Enterprise fund financial statements provide both short-term and long-term financial information about the Authority's overall financial status. The statements present information on the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position and show how net position has changed during the year.

Statement of Net Position

The statement of net position presents information on the financial resources and obligations of the Authority on December 31, 2014. The difference between the sum of total assets and deferred outflows of resources and the sum of total liabilities and deferred inflows of resources is net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the Authority is improving or deteriorating. Additionally, nonfinancial factors, such as the construction timeline and date of substantial completion of the stadium construction project should be considered to assess the overall health of the Authority. The statement of net position can be found on page 28 of this report.

Statement of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position presents information showing how the Authority's net position changed during the fiscal year ended December 31, 2014. All of the current fiscal year's revenues and expenses are accounted for in this statement, regardless of when cash is received or paid. The statement of revenues, expenses and changes in net position can be found on page 29 of this report.

Statement of Cash Flows

The statement of cash flows reports cash and cash equivalent activities for the fiscal year ended December 31, 2014 as a result of operating, noncapital financing, capital and investing activities. The statement of cash flows can be found on pages 30-31 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the enterprise fund financial statements. The notes to the financial statements can be found on pages 32-46 of this report.

Required Supplementary Information

The required supplementary information consists of two new schedules, Schedule of the Authority's Share of Net Pension Liability State Employees Retirement Fund and Schedule of Authority's Contributions State Employees Retirement Fund. The required supplementary information can be found on page 47 of this report.

Financial Analysis

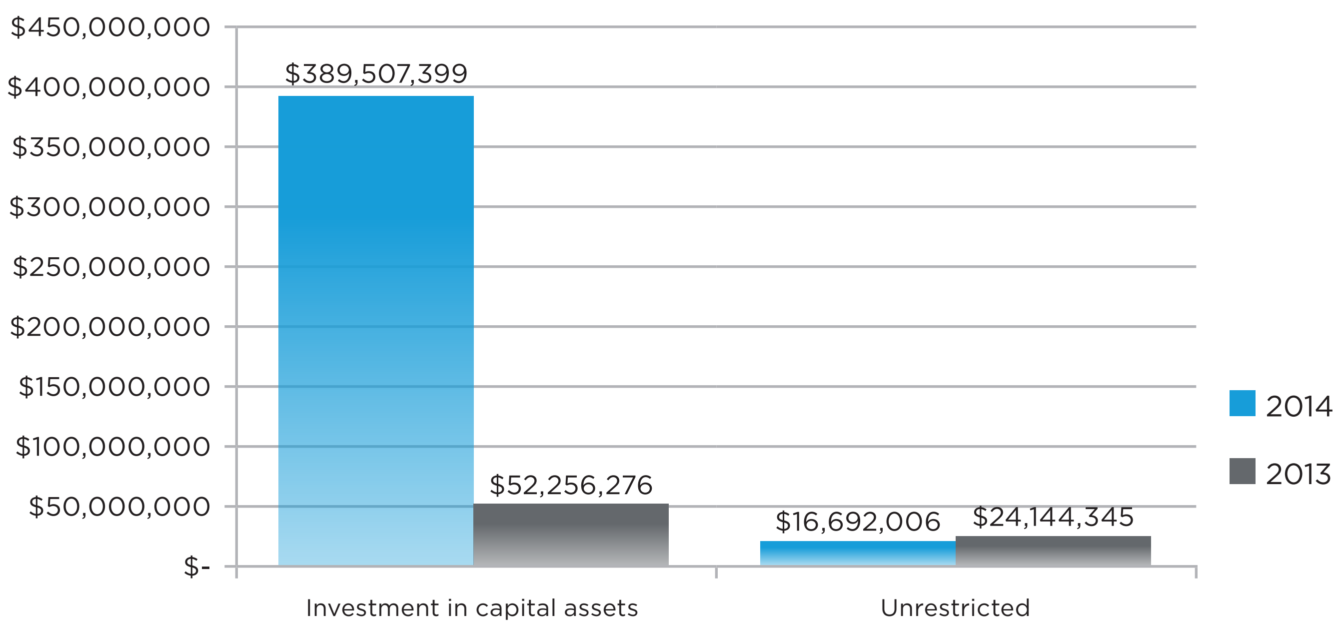
Following is a table that presents the Authority's Statement of Net Position as of December 31, 2014 and 2013:

STATEMENT OF NET POSITION AT DECEMBER 31, 2014 AND 2013

ASSETS:	2014	2013
Current and other assets	$76,446,898	$34,677,430
Capital assets	389,507,399	52,256,276
Noncurrent assets	8,063,313	10,649,497
Total assets	**474,017,610**	**97,583,203**
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows of resources	117,570	
LIABILITIES:		
Current liabilities	65,969,900	21,076,437
Noncurrent liabilities	916,109	106,145
Total liabilities	**66,886,009**	**21,182,582**
DEFERRED INFLOWS OF RESOURCES:		
Deferred Inflows of resources	1,049,766	
NET POSITION:		
Investment in capital assets	389,507,399	52,256,276
Unrestricted	16,692,006	24,144,345
Total net position	**$406,199,405**	**$76,400,621**

Current and other assets increased by $41,769,468 when compared to the prior year due to an increase in construction contributions receivable. Capital assets increased when compared to the prior year by $337,251,123 due to current period construction activity. The largest portion of the Authority's net position (95.9%) reflects its investment in capital assets of $389,507,399. These assets are comprised of land, building, equipment and construction in progress for the new stadium. Accordingly, these assets are not available for future spending. The unrestricted net position of $16,692,006 (4.1%) is available for future use to meet the Authority's ongoing and future obligations. As of December 31, the Authority is able to report positive balances in both categories of net position.

Authority Net Position at December 31, 2014 and 2013



The following table presents the changes in net position at December 31, 2014 and 2013.

CHANGES IN NET POSITION

	2014	2013
Operating revenues	$464,049	$20,543,956
Operating expenses	4,559,641	25,228,819
Total operating income or (loss)	**(4,095,592)**	**(4,684,863)**
Nonoperating revenues (expenses)	1,765,515	993,582
Income (loss) before capital contributions	**(2,330,077)**	**(3,691,281)**
Capital contributions	334,047,793	52,513,835
Changes in net position	**331,717,716**	**48,822,554**
Total net position – January 1	76,400,621	27,578,067
Change in accounting principle	(1,918,932)	
Total net position-January 1, as restated	74,481,689	
Total net position – December 31	**$406,199,405**	**$76,400,621**

AUTHORITY'S ACTIVITIES

At the end of fiscal year 2013 the Hubert H. Humphrey Metrodome (Metrodome) closed and the Authority ceased all event operations. At this time the Authority's mission changed from building owner/operator to developer of a multi-purpose stadium and related stadium infrastructure. During fiscal year 2014 the Authority managed and oversaw construction of the stadium, Block 1 parking ramp, and skyway construction projects, the project timelines, and budgets.

The original master project budget for the Minnesota Multi-Purpose stadium and stadium infrastructure project was $975 million. During fiscal year 2014 the master project budget was increased by a contribution from the Minnesota Vikings Football Stadium LLC and on December 31, 2014 the budget was $1,026,065,450. Funding for this project consists of contributions of $498,000,000 from the state of Minnesota, $428,065,450 from the Minnesota Vikings Football Stadium LLC and $100,000,000 from private contributions.

In February 2014, the Authority purchased an existing parking facility, Downtown East Parking Ramp, and a parcel of property in downtown Minneapolis known as Block 1. The properties are adjacent to the stadium site. Immediately following acquisition of the properties, the Authority began to operate the parking facility and the Block 1 surface parking lot. Then on August 31, 2014 the surface parking lot closed and demolition began on that site in preparation for construction of the new Block 1 parking ramp.

Operating revenues:

Operating revenues were $464,049 for the fiscal year ended December 31, 2014 which is a decrease of $20,079,907. This decrease is due to the closure of the Metrodome and the cessation of stadium events. The major revenue source in fiscal year 2014 was parking operations and related revenues of $405,166. This was a new revenue source for the Authority.

Operating expenses:

Operating expenses were $4,559,641 for the fiscal year ended December 31, 2014 which is a decrease of $20,669,178. This decrease is also due to the closure of the Metrodome. Operating expenses include concessions costs, personal services, professional services, contractual services, supplies, repairs and maintenance, utilities, rent, insurance, parking operations, and other costs.

In the first quarter of 2014 the Authority incurred expenses related to the closure of the stadium including costs to close-out the concession operation of $221,220 and utility costs of $96,842. Costs to operate the Downtown East Parking Ramp and the Block 1 surface parking lot were $719,573.

Nonoperating revenues/expenses:

During the fiscal year ended December 31, 2014 the Authority received other contributions for the stadium project of $6,328,588 which is comprised of contributions from the Minnesota Vikings Football Stadium LLC of $2,138,684, state of Minnesota of $3,607,710, and private contributions of $582,194. These contributions were used to fund noncapital stadium project expenses of $6,345,070.

Nonoperating revenues/expenses also included sales taxes revenues from the state of Minnesota of $1,360,640 and stadium builders licenses revenues and expenses of $5,564,687.

CAPITAL ASSETS

The Authority's investment in capital assets as of December 31, 2014 was $389,507,399 (net of accumulated depreciation) and consists of land, buildings, equipment and construction in progress. The site for the stadium construction project is the site of the former Metrodome. As of December 31, 2014 site acquisition and improvements were 53.6 percent complete, construction of the stadium was 31.2 percent complete, and development costs were 68.9 percent complete.

The following compares the Authority's capital assets as of December 31, 2014 and 2013.

CAPITAL ASSETS

	2014	2013	Increase/(decrease)
CAPITAL ASSETS			
Non-depreciable-			
Land	$24,401,120	$8,700,000	$15,701,120
Construction in progress	355,964,097	43,556,276	$312,407,821
Depreciable-			
Building	9,421,193	111,207,306	(101,786,113)
Equipment	13,282	12,618,564	(12,605,282)
Total capital assets	389,799,692	176,082,146	213,717,546
Less: accumulated depreciation	(292,293)	(123,825,870)	123,533,577
Total capital assets, net	**$389,507,399**	**$52,256,276**	**$337,251,123**

Additional information on the Authority's capital assets can be found in the notes to the financial statements, see Note I.C.3 and Note II.C.

Economic Factors and Next Year's Budget

Throughout fiscal year 2015 the Authority will be managing and overseeing construction of the stadium, the Block 1 parking ramp, and the skyways. The Authority will operate the Downtown East Parking Ramp through December 31, 2015. Substantial completion of the skyways and Block 1 Parking Ramp is scheduled for December 31, 2015. On January 1, 2016 Ryan Companies will operate both parking facilities.

The Authority's 2015 operating budget, for the fiscal year from January 1, 2015 through December 31, 2015, includes operating revenues of $2,308,000 and operating expenses of $5,065,977. Unrestricted net position will be used to fund the operating loss of $2,757,977, the excess of expenses over revenues, and the net non-operating expenses of $623,433.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its financial position and to demonstrate the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance, Minnesota Sports Facilities Authority, 511 South Eleventh Street, Suite 401, Minneapolis, Minnesota 55415. This report may also be found on the Authority's web site at www.msfa.com.

MINNESOTA SPORTS FACILITIES AUTHORITY **Exhibit A**
STATEMENT OF NET POSITION
December 31, 2014

ASSETS	
Current assets:	
Cash and cash equivalents	$ 1,511,623
Restricted cash and cash equivalents	10,668,156
Investments	7,474,977
Receivables:	
Accounts and other receivables	1,446,726
Construction contributions receivable	55,298,326
Prepaid items	47,090
Total current assets	76,446,898
Noncurrent assets:	
Capital assets:	
Non-depreciable:	
Land	24,401,120
Construction in progress	355,964,097
Depreciable:	
Building	9,421,193
Equipment	13,282
Accumulated depreciation	(292,293)
Total capital assets (net of accumulated depreciation)	389,507,399
Prepaid project insurance	8,063,313
Total noncurrent assets	397,570,712
Total assets	474,017,610
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	117,570
LIABILITIES	
Current liabilities:	
Salaries and benefits payable	37,809
Accounts payable and other accrued liabilities	1,839,689
Construction accounts and retainages payable	53,405,511
Restricted SBL Liability	10,518,110
Compensated absences	168,781
Total current liabilities	65,969,900
Noncurrent liabilities:	
Compensated absences	89,107
Net pension liability	827,002
Total liabilities	66,886,009
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	1,049,766
NET POSITION	
Investment in capital assets	389,507,399
Unrestricted	16,692,006
Total net position	$ 406,199,405

The notes to the financial statements are an integral part of this statement.

MINNESOTA SPORTS FACILITIES AUTHORITY **Exhibit B**
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Fiscal Year Ended December 31, 2014

Operating revenues:	
Parking operations and related revenues	$405,166
Charges for services	13,067
Other	45,816
Total operating revenues	464,049
Operating expenses:	
Concession costs	221,220
Personal services	1,841,609
Professional services	616,112
Contractual services	68,521
Supplies, repairs and maintenance	214,056
Utilities	96,842
Rent	172,210
Insurance	113,373
Parking operations	719,573
Other expenses	203,832
Depreciation	292,293
Total operating expenses	4,559,641
Total operating income (loss)	(4,095,592)
Nonoperating revenues (expenses):	
Investment earnings	26,152
Other contributions for stadium project	6,328,588
Stadium builders licenses revenues	5,564,687
Sales taxes	1,360,640
Proceeds from sale of capital assets	539,916
Stadium operator expenses	(144,711)
Stadium project expenses	(6,345,070)
Stadium builders licenses expenses	(5,564,687)
Total nonoperating revenues (expenses)	1,765,515
Income (loss) before capital contributions	(2,330,077)
Capital contributions	334,047,793
Change in net position	331,717,716
Total net position, January 1, 2014	76,400,621
Change in Accounting Principle	(1,918,932)
Total net position, January 1, 2014, as restated	74,481,689
Total net position, December 31, 2014	$406,199,405

The notes to the financial statements are an integral part of this statement.

MINNESOTA SPORTS FACILITIES AUTHORITY **Exhibit C**
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended December 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from parking operations	$376,265
Other receipts	4,246,792
Payments to employees for salaries and benefits	(2,083,690)
Payments to suppliers and others	(2,495,181)
Payments for parking operations	(719,573)
Net cash provided (used) by operating activities	(675,387)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Sales taxes received from State of Minnesota	813,080
Other contributions received for stadium project	6,347,469
Stadium builders licenses revenues received	5,776,539
Receipts restricted for stadium builders licenses	10,518,110
Payments for stadium project	(6,340,570)
Payments for stadium builders licenses expenses	(5,564,687)
Net cash provided (used) by noncapital financing activities	11,549,941
CASH FLOWS FROM CAPITAL ACTIVITIES	
Capital contributions received	299,423,860
Acquisition and construction of assets	(298,614,678)
Proceeds from sale of capital assets	539,916
Net cash provided (used) by capital activities	1,349,098
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	1,300,223
Purchase of investments	(8,803,091)
Interest on investments	33,939
Net cash provided (used) by investing activities	(7,468,929)
Net increase (decrease) in cash and cash equivalents	4,754,723
Cash and cash equivalents, January 1	7,425,056
Cash and cash equivalents, December 31	$ 12,179,779
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	$ (4,095,592)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	292,293
Pension expense	(159,734)
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	4,193,318
(Increase) decrease in prepaid items	372,779
Increase (decrease) in salaries and benefits payable	(31,915)
Increase (decrease) in accounts payable and other accrued liabilities	(1,164,072)
Increase (decrease) in unearned revenue	(34,309)
Increase (decrease) in compensated absences	(48,155)
Total adjustments	3,420,205
Net cash provided (used) by operating activities	$ (675,387)

Noncash investing, capital and financing activities:		
Decrease in fair value of investments	$	27,988
Accrued other contributions	$	1,357,954
Accrued capital contributions	$	55,301,012
Accrued construction in progress costs	$	53,398,010

The notes to the financial statements are an integral part of this statement.

I. Summary of significant accounting policies

A. Organization and Reporting Entity

1. Organization

In May 2012, the state of Minnesota enacted 2012 Minnesota Laws, Chapter 299 to establish the Minnesota Sports Facilities Authority (Authority). The Authority is comprised of five board members: the chair, appointed by the governor of the state of Minnesota, two members appointed by the governor and two members appointed by the mayor of the city of Minneapolis. One member appointed by the governor and one member appointed by the mayor serve until December 31, 2015 and one member appointed by the governor and one member appointed by the mayor serve until December 31, 2016. Thereafter members appointed by the governor and the mayor serve a four year term beginning January 1. The chair serves at the pleasure of the governor. The board makes policies for the administration of the Authority and it appoints a CEO/Executive director to act as the administrative head of the Authority. The CEO/Executive director serves at the pleasure of the board, carries out the policies established by the board, directs business and administrative procedures, and recommends personnel to be appointed by the board.

The Authority was created to provide for the construction, financing, and long term use of a new stadium and related stadium infrastructure as a venue for professional football and a broad range of other civic, community, athletic, educational, cultural and commercial activities.

2. Financial reporting entity

As defined by U.S. generally accepted accounting principles (GAAP), the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the officials of the primary government are financially accountable. Financial accountability is defined as:

a. Appointment of a voting majority of the component unit's board and either (1) the ability to impose will by the primary government or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
b. Fiscal dependency on the primary government.

Based upon the application of these criteria, the Authority has no component units. However, the Authority is a component unit of the state of Minnesota because the governor appointed three of the five board members and the state of Minnesota is responsible for the debt being incurred for the Authority's share of the cost of the construction of the stadium and stadium infrastructure.

B. Basis of presentation and measurement focus

1. Basis of presentation

The financial statements of the Authority have been prepared in conformity with GAAP as applied to government units in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies of the Authority are described below.

I. Summary of significant accounting policies (continued)

The Authority reports its activities as a business-type activity. The operations of the Authority are accounted for in an enterprise fund which is a set of self-balancing accounts comprised of assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses. The fund is used to account for the operations of the Authority, its parking operations, and the financing and construction of the new stadium and stadium infrastructure. The financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. All assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the statement of net position. Reported net position is segregated into two categories: investment in capital assets and unrestricted. The statement of revenues, expenses, and changes in net position presents increases (revenues) and decreases (expenses) in total net position.

2. Measurement focus and basis of accounting

The Authority's enterprise fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

C. Assets, liabilities, and net position

1. Cash, cash equivalents and investments

The Authority has defined cash and cash equivalents as cash on hand, cash on deposit in demand deposit accounts, commercial paper, and short-term investments with original maturities of three months or less from the date of acquisition. Authority deposits are backed by a combination of Federal Deposit Insurance Corporation (FDIC) and a letter of credit from Federal Home Loan Bank for the account of U.S. Bank National Association, Cincinnati, Ohio for an amount of $5 million. The letter of credit is irrevocable, unconditional, and nontransferable. Certain cash accounts are segregated and classified as restricted and may not be used except in accordance with contractual terms.

The Authority may invest funds as authorized by Minnesota Statutes, Chapter 118A, and the Authority's internal investment policy. Investments are reported at fair value and are based on quoted market prices.

2. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

3. Capital assets

Capital assets include land, buildings, equipment, and construction in progress. Capital assets are defined by the Authority as assets with an initial, individual cost of $5,000 or more and an estimated useful life greater than three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

I. Summary of significant accounting policies (continued)

Capital assets are depreciated over their estimated useful lives using the straight-line method. Land and construction in progress are not depreciated. All assets from the Hubert H. Humphrey Metrodome (Metrodome) were fully depreciated as of December 31, 2013 and were removed from the financial statements as of January 1, 2014.

Estimated useful lives are as follows:

Capital assets	Useful life
Buildings	30 years
Equipment	3 – 10 years

4. Compensated absences
The Authority accrues vacation and sick leave when earned. All full-time employees earn annual vacation leave based on years of service and are allowed to accumulate up to a maximum of 400 hours as of the end of each year. Full-time employees also earn 96 hours of sick leave each year and are allowed to accumulate up to a maximum of 800 hours as of the end of each year. Part-time employees also earn annual vacation leave and are allowed to accumulate up to a maximum of 200 hours as of the end of each year. Part-time employees also earn 48 hours of sick leave each year and are allowed to accumulate up to a maximum of 400 hours as of the end of each year. Employees qualify for a vacation leave and a sick leave benefit paid at termination or retirement. The pay rate in effect at the end of the year and the employer's share of social security contributions are used to calculate compensated absences accruals at December 31.

5. Deferred outflows/inflows of resources
In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (an expense) until then. The amount recognized as deferred outflows of resources is related to pensions.

In addition to liabilities, the Statement of Net Position also reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The amount recognized as deferred inflows of resources is related to pensions.

6. Net position
Net position represents the sum of total assets and deferred outflows of resources less the sum of total liabilities and deferred inflows of resources. At December 31, 2014 the Authority had two categories of net position, investment in capital assets and unrestricted. Investment in capital assets is the amount of net position representing capital assets net of accumulated depreciation. Unrestricted net position is the amount of net position that does not meet the definition of restricted or investment in capital assets.

I. Summary of significant accounting policies (continued)

7. Revenues and expenses

a. Operating and nonoperating revenues and expenses

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Authority's enterprise fund are: parking revenues, charges for services, and miscellaneous revenues. Operating expenses include concession costs related to the cessation of Metrodome operations, personal services, professional services, contractual services, supplies, repairs, and maintenance, utilities, rent, insurance, parking operations, other expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition and construction related activities are reported as nonoperating revenues and expenses.

b. Other contributions for stadium project

Amounts reported as other contributions for the stadium project include contributions from: 1) the Minnesota Vikings, 2) the state of Minnesota, 3) city of Minneapolis, and 4) private contributions. These contributions fund their respective share of the non-capitalized stadium construction expenses and are reported as nonoperating revenues. See Note III.D.1 for a discussion of the construction funding requirements.

c. Stadium builders licenses revenues

Effective July 31, 2014, the Authority entered into an Amended and Restated Purchase and Sale Agreement with Minnesota Stadium Funding Trust whereby the Authority agreed to sell its interest in stadium builders licenses (SBL) tranches of SBL revenues to Minnesota Stadium Funding Trust pursuant to SBL contracts. SBLs entitle the holder to buy season tickets to certain Minnesota Vikings games and other events held at the new stadium and for a certain seat in the stadium. The Authority has recognized a receivable and revenue in accordance with Government Accounting Standards Board Statement No., 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfer of Assets and Future Revenues," as the transaction qualifies as a sale of future revenues. Revenue will be recognized as proceeds are received for the purpose of funding stadium construction costs and for costs associated with the sales of the stadium builders licenses. The total SBL tranches to be sold based on the SBL program as stated in the agreement is estimated to be $125 million. Approximately $100 million will be used for private contributions to fund the stadium construction project and $25 million will be used for sales and interest costs. These revenues are reported as nonoperating revenues.

d. Sales tax revenues

In accordance with Minnesota statutes, 16A.726(b) and 297A.994, Subd.4.(5)(i) and (ii), a portion of the city of Minneapolis sales tax collections, are for the benefit of the Authority. Amounts are recognized as revenue by the Authority in the year the sales taxes are imposed on the underlying exchange transaction by the city of Minneapolis. The state of Minnesota withholds a portion of the Minneapolis sales tax disbursement to the city and issues the payment to the Authority. These revenues are reported as nonoperating revenues.

I. Summary of significant accounting policies (continued)

8. New accounting standards adopted

During the year ended December 31, 2014, the Authority adopted two new statements of financial accounting standards issued by GASB: GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transitions for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68.* The new standards apply to the Authority who provides pensions to their employees through the Minnesota State Retirement System.

GASB Statement No. 68 revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. GASB Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability on their financial statements for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. It also enhances accountability and transparency through revised and new note disclosures and Required Supplementary Information.

GASB Statement No. 71 amends Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

9. Change in accounting principle

Adoption of GASB Statements No. 68 and No. 71, as detailed above, resulted in a change in accounting principle and a restatement of net position. As of January 1, 2014 net position was $76,400,621, it decreased by $1,918,932 to reflect the cumulative retrospective effect of adoption of the Statements, and the restated net position as of January 1, 2014 was $74,481,689.

II. Detailed Notes

A. Cash deposits with financial institutions

Minnesota Statutes, Chapter 118A, require that all Authority deposits in excess of available federal deposit insurance be protected by a corporate surety bond or collateral security. An irrevocable standby letter of credit issued by a Federal Home Loan Bank is an allowable form of collateral. The statute further requires the total amount of collateral computed at its fair market value shall be at least ten percent more than the amount on deposit at the close of the financial institution's banking day, except for irrevocable standby letters of credit, then the amount of collateral shall be at least equal to the amount on deposit at the close of the financial institution's banking day. At December 31, 2014, the carrying amount of the Authority's combined demand deposit bank accounts was $273,076. Bank balances were $394,840 of which $250,000 was covered by federal depository insurance and the remaining $144,840 was collateralized by an irrevocable standby letter of credit issued by Federal Home Loan Bank of Cincinnati. The differences between carrying value and bank balance generally result from checks outstanding and deposits in transit at December 31, 2014. The Authority had $665,000 in commercial paper at December 31, 2014.

II. Detailed Notes (continued)

At December 31, 2014, the carrying amount and the bank balance of the Authority's restricted cash demand deposit account was $122,097. This amount was collateralized by the letter of credit described in the above paragraph. Restricted cash trust account balances were $10,546,059 at December 31, 2014.

B. Cash equivalent investments

The Authority's investment policy addresses certain risks to which it is currently exposed as follows:
Interest rate risk. Although the Authority does not have a formal specific duration investment risk policy, it does have a formal investment policy by which the Authority manages its exposure to declines in fair value. To meet short-term cash flow needs, the Authority's investment portfolio will remain sufficiently liquid to enable the Authority to meet anticipated cash requirements without the occurrence of significant investment losses. To meet long-term needs, the average duration of the investment portfolio should match the average duration of liabilities subject to regulatory requirements.

Credit risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investment instruments purchased by the Authority must comply with Minnesota Statutes, Chapter 118A, and its investment policy which is more restrictive than state law. The Authority's investment policy limits investments to the following: money market funds, savings/demand deposits, bankers acceptances, commercial paper, U.S. Treasury Obligations, U.S. Agency Securities Government Sponsored Enterprises (GSE), Municipal Securities, Repurchase Agreements, and Guaranteed Investment Contracts. The ratings on all the agencies that the Authority can invest in are the highest available. It is the Authority's policy not to invest in inverse floaters, range notes, interest only strips derived from a pool of mortgages, and any security that could result in a zero interest accrual if held to maturity.

Custodial credit risk. The custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, then the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counter party to a transaction, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

II. Detailed Notes (continued)

Following is a summary of the fair values of cash, cash equivalents and investments at December 31, 2014:

Security Type	Credit Risk	Custodial Credit Risk	Maturities	Fair Value	% of Total Portfolio
Cash and cash equivalents	n.a.	(a)	n/a	$ 846,623	9.4%
US Bank commercial paper	A1+	(b)	4/01/2015	665,000	7.4%
Federal National Mortgage Assoc.	AAA	(b)	1/30/2017	3,019,440	33.6%
Federal Home Loan Bank	AAA	(b)	6/24/2016	1,199,874	13.4%
Federal Home Loan Mortgage Corp.	AAA	(b)	10/14/2016	1,015,403	11.3%
Corporate Certificates of Deposit	Not rated	(b)	1/25/2017	2,240,260	24.9%
Total				$8,986,600	100.0%

(a) Individual bank balances less than or equal to $250,000 are FDIC insured. Individual balances greater than $250,000 are collateralized by the Authority holding a letter of credit from the Federal Home Loan Bank of Cincinnati for $5 million.
(b) Securities held in custody are in the Authority's name.

The Authority had no foreign currency exposure at December 31, 2014.

C. Capital assets

In 2014 the Authority acquired two properties in downtown Minneapolis, the Downtown East Parking Ramp for $17,421,193 and the Block 1 parcel for $7,701,120. Capital asset activity for the fiscal year ended December 31, 2014 was as follows:

	Balance January 1	Increases	Decreases	Balance December 31
Capital assets, not being depreciated:				
Land	$8,700,000	$15,701,120	$ -	$24,401,120
Construction in progress	43,556,276	312,407,821	-	355,964,097
Total capital assets, not being depreciated	52,256,276	328,108,941	-	380,365,217
Capital assets, being depreciated:				
Buildings	111,207,306	9,421,193	(111,207,306)	9,421,193
Equipment	12,618,564	13,282	(12,618,564)	13,282
Total capital assets, being depreciated	123,825,870	9,434,475	(123,825,870)	9,434,475
Less: accumulated depreciation for:				
Buildings	(111,207,306)	(287,870)	111,207,306	(287,870)
Equipment	(12,618,564)	(4,423)	12,618,564	(4,423)
Total accumulated depreciation	(123,825,870)	(292,293)	123,825,870	(292,293)
Total capital assets, being depreciated, net	-	9,142,182	-	9,142,182
Total capital assets, net	$52,256,276	$337,251,123	$ -	$389,507,399

II. Detailed Notes (continued)

D. Changes in long-term liabilities

Long-term compensated absences activity for the fiscal year ended December 31, 2014, was:

Balance January 1	Additions	Reductions	Balance December 31	Due Within One Year
$306,043	$13,930	$62,085	$257,888	$168,781

III. Other information

A. Retirement plans

Authority employees are covered by one of two Minnesota State Retirement System (MSRS) retirement plans.

State Employees Retirement Fund (SERF) Plan Description

SERF is administered by the Minnesota State Retirement System (MSRS), and is established and administered in accordance with Minnesota Statutes, Chapters 352 and 356. SERF includes the General Employees Retirement Plan (General Plan), a multiple-employer, cost-sharing defined benefit plan, and three single-employer defined benefit plans. Certain employees of the Authority are covered by the General Plan.

MSRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at www.msrs.state.mn.us/financial-information; by writing to Minnesota State Retirement System, 60 Empire Drive, Suite 300, Saint Paul, Minnesota 55103-3000 or by calling (651) 296-2761 or 1-800-657-5757.

Benefits Provided

MSRS provides retirement, disability, and death benefits through the SERF. Benefit provisions are established by state statute and can only be modified by the state legislature. Benefits are based on a member’s age, years of credit, and the highest average salary for any sixty successive months of allowable service at termination of service. Benefit increases are provided to benefit recipients each January, and are related to the funded ratio of the plan. Annuitants receive a benefit increase of 2.0 percent each year. When the fund reaches a 90 percent funded status for two consecutive years, annuitants will receive a 2.5 percent increase.

Retirement benefits can be computed using one of two methods: the Step formula and the Level formula. Members hired before July 1, 1989, may use the Step or Level formula, whichever is greater. Members hired on or after July 1, 1989, must use the Level formula. Each formula converts years and months of service to a certain percentage. Under the Step formula, members receive 1.2 percent of the high-five average salary for each of the first 10 years of covered service, plus 1.7 percent for each year thereafter. It also includes full benefits under the Rule of 90 (age plus years of allowable service equals 90). In contrast, the Level formula does not include the Rule of 90. Under the Level formula, members receive 1.7 percent of the high-five average salary for all years of covered service, and full benefits are available at normal retirement age.

III. Other Information (continued)

Contributions

Minnesota Statutes Chapter 352 sets the rates for employer and employee contributions. Eligible General Plan members and participating employers were required to contribute 5.0 percent of their annual covered salary for the period from January 1, 2014 through June 30, 2014. Effective July 1, 2014, member and employer rates increased to 5.5 percent of total compensation. The Authority's contribution to the General Plan for the fiscal year ending December 31, 2014 was $46,503. These contributions were equal to the contractually required contributions for each year as set by state statute.

Actuarial Assumptions

The Authority's net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent per year
Active Member Payroll Growth	3.50 percent per year
Investment Rate of Return	7.90 percent per year

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 generational mortality tables for males or females, as appropriate, with adjustments to match fund experience. Benefit increases for retirees are assumed to be 2.0 percent every January 1st through 2015 and 2.5 percent thereafter.

Actuarial assumptions used in the June 30, 2014, valuation were based on the results of actuarial experience studies for the period July 1, 2004, through June 30, 2008, with an update of economic assumptions in 2014.

The long-term expected rate of return on pension plan investments is 7.9 percent. The rate assumption was selected as the result of a 2014 actuarial review of economic assumptions. The review combined the asset class target allocations and long-term rate of return expectations from the State Board of Investment (SBI) with return expectations from eight other investment consultants. The review also factored in information from the Social Security Trustees Report, U.S. Department of the Treasury yield curve rates, and historical observations of inflation statistics and investment returns.

The SBI, which manages the investments of MSRS, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method. Best estimates of expected future real rates of return are developed for each major asset class. These asset class estimates and target allocations are combined to produce a geometric, expected long-term rate of return as summarized in the following table:

III. Other Information (continued)

Asset Class	Target Allocation	SBI's Long-term Expected Real rate of Return (Geometric Mean)
Domestic Stocks	45%	5.50%
International Stocks	15%	6.00%
Bonds	18%	1.45%
Alternative Assets	20%	6.40%
Cash	2%	0.50%

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2014, was 7.9 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2014, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. A similar analysis was performed as of July 1, 2013, based on a long-term expected rate of return of 7.90 percent and a municipal bond rate of 4.63 percent. The projection showed that assets would be available to pay benefits only through 2045, with a resulting single discount rate of 6.63 percent, and an increase of 1.27 percent between the beginning and the end of the measurement period.

Net Pension Liability

At December 31, 2014, the Authority reported a liability of $827,002 for its proportionate share of MSRS' net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's contributions received by MSRS during the measurement period July 1 2013, through June 30, 2014, relative to the total employer contributions received from all of MSRS's participating employers. At June 30, 2014, the Authority's proportion was .051 percent.

Two changes in benefit provisions affected the measurement of the total pension liability since the prior measurement date. Member and employer contribution rates increased from 5 percent to 5.5 percent of pay effective the first day of the first full pay period beginning after July 1, 2014. Beginning July 1, 2014, the funding ratio threshold that must be attained to pay a 2.5 percent post-retirement benefit increase to benefit recipients was changed from 90 percent for one year to 90 percent for two consecutive years.

Two changes in assumptions affected the measurement of the total pension liability since the prior measurement date. The single discount rate changed from 6.63 percent to 7.90 percent.

The post-retirement benefit increase changed from 2 percent indefinitely, to 2 percent through 2015, and 2.5 percent thereafter.

III. Other Information (continued)

Pension Liability Sensitivity

The following presents the Authority's proportionate share of the net pension liability, calculated using the discount rate disclosed in the Discount Rate section above, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.9%)	Discount Rate (7.9%)	1% Increase in Discount Rate (8.9%)
Authority's proportionate share of the net pension liability:	$1,669,033	$827,002	$127,316

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the MSRS Comprehensive Annual Financial Report, and is available on the MSRS website (www.msrs.state.mn.us/financial-information).

Pension Expense /<Income> and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2014, the Authority recognized pension expense of <$159,734>. At December 31, 2014, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	$17,961
Changes of assumptions	-	$602,741
Net difference between projected and actual earnings on investments	-	$428,962
Changes in proportion and differences between actual contributions and proportionate share of contributions	$97,576	$102
Contributions paid to MSRS subsequent to the measurement date	$19,994	-
Total	$117,570	$1,049,766

III. Other Information (continued)

Amounts reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense/<income> as follows:

Year ended December 31:	Pension Expense/<Income> Amount
2015	<$238,047>
2016	<$238,047>
2017	<$238,047>
2018	<$238,047>

Unclassified Employees Plan (UEP) Description

The MSRS-UEP is a tax-deferred multiple employer defined contribution public employee retirement plan. The chair of the Authority and the CEO/Executive Director are covered by this plan. Minnesota Statutes, Chapter 352D.01 authorized creation of this plan.

It is considered a money purchase plan, i.e., participants vest only to the extent of the value of their accounts (employee and employer contributions plus earnings less administrative expenses), but functions as a hybrid between a defined contribution plan and a defined benefit plan.

Funding Policy

Minnesota Statutes, Chapter 352D.04, subdivision 2, required a contribution rate of 5.0 percent of salary from participating employees. Effective the first day of the first full pay period beginning after July 1, 2014, the employee contribution rate increased to 5.5 percent. The employer contribution rate is 6.0 percent of salary. Employees of this plan also contribute to Social Security.

Participants in this plan are eligible to apply for the balance in their account after termination of public service. There is no minimum employment requirement to qualify for this lump-sum payment. Since contributions made to this plan are not taxed, participants pay taxes when funds are withdrawn and may be subject to a ten percent penalty if funds are withdrawn in a lump sum before the member reaches age 59 ½. Monthly benefits are available to terminated participants at age 55 or later, regardless of the individual's length of service

Retirement and disability benefits are available to some participants through conversion, at the participant's option, to the General Plan provided the employee has at least 10 years of allowable service in this plan and/or the General Plan if hired prior to July 1, 2010, or has no more than seven years of service if hired after June 30, 2010.

III. Other Information (continued)

Employer contributions to MSRS-UEP which equaled the required contribution for the five month fiscal period ended December 31, 2012, fiscal year 2013, and fiscal year 2014 were:

Year	Employer Contributions	Plan Members Contributions
2012	$ 6,113	$ 5,094
2013	$15,732	$13,110
2014	$17,194	$14,996

B. Risk management
The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; work related injuries; and natural disasters. The Authority purchased insurance policies for the following exposures with the deductible or the amount of risk retention indicated in parenthesis: property insurance for the Downtown East parking facility ($5,000), property and equipment break down ($5,000), general liability (no deductible), umbrella liability ($10,000 retention), automobile insurance ($500 collision deductible/$250 comprehensive deductible), garage keepers ($10,000), crime insurance ($5,000 deductible), workers compensation (no deductible), and public officials and employee liability insurance ($10,000 retention).

The Authority entered into an agreement with an insurance broker to provide insurance brokerage services to insure the design and construction of the new stadium and stadium infrastructure. The Authority implemented an Owner Controlled Insurance Program (OCIP) for liability only coverage for construction of the stadium. Additional construction related coverage was acquired including contractors' pollution liability, pollution legal liability, owners' protective professional indemnity, and builders' risk. Policy premiums are recorded as prepaid expenses and amortized to construction in progress over the terms of the policies.

In 2014 there was a significant reduction in property insurance coverage due to demolition of the Metrodome building and disposition of equipment. Within the past three fiscal years, settled claims have not exceeded commercial coverage.

C. Operating leases
The Authority leases 6,670 square feet of office space and several parking spaces at a location directly across from the stadium construction site. The office space lease period began on January 1, 2014 and will expire on September 30, 2016, lease expenses were $146,329 in 2014.

D. Stadium and Related Infrastructure Development

1. Stadium development agreement
Effective August 22, 2014, the Authority and the Minnesota Vikings Football, LLC (Team) entered into a second amended and restated development agreement to provide for the planning, design, development and construction of the stadium and stadium infrastructure which included an original master project budget of $975 million. As of December 2014 the project budget was increased to $1.026 billion. The agreement identifies the architect and the construction manager retained for the stadium project and it identifies the Authority as the stadium developer.

III. Other Information (continued)

Various program elements, design standards, design documents, construction matters, site acquisition, and financing requirements of the stadium project were specified in the agreement. As the stadium developer the Authority has oversight responsibility for the construction manager and is responsible for project accounting and reporting, value engineering, legal administration, and the project budget. In connection with certain financing arrangements anticipated for the stadium and stadium infrastructure the Team assigned this agreement to Minnesota Vikings Football Stadium, LLC (Stadco). The sources of funding for the construction project are: the state of Minnesota will contribute $498 million and Stadco and private contributions will contribute $528 million. This agreement will terminate on the date of substantial completion of the stadium which is the date that the stadium is ready for opening to the general public.

2. Use agreement and football playing agreement

Effective November 22, 2013, the Authority and Stadco entered into a long-term amended and restated stadium use agreement that grants the Team the right to use the stadium. The initial term of the agreement will be from date of substantial completion of the stadium to the 30th NFL football season played by the Team in the stadium. As payment for its occupancy and use of the stadium, the Team is obligated to pay a use fee as defined in the agreement. This agreement also requires the Authority to have sole responsibility for the operation, direction, maintenance, supervision, and management of the stadium and stadium infrastructure.

In addition to the use agreement the Authority and the Team entered into a long-term agreement, football playing agreement, concerning the use of the stadium whereby the Team agreed to play home games during the NFL season at the stadium. This agreement terminates in conjunction with the termination of the use agreement.

3. General fund appropriation bond proceeds grant agreement-construction grant

In fiscal year 2013 the Authority and Minnesota Management and Budget (MMB) entered into a grant agreement for MMB to pay $498 million to the Authority for expenses related to the acquisition, construction, improving and equipping of the stadium and stadium infrastructure. Draw requisitions are required for all payments for the project. This agreement terminates on the last date of the useful life of the property.

4. Development agreement

On February 10, 2014, the Authority entered into a development agreement with the city of Minneapolis and Ryan Companies US, Inc. (Ryan) to develop, construct and operate the Block 1 Parking Ramp and skyways in connection with the stadium and related facilities. The original project budget for site acquisition, design and construction of the Block 1 Ramp was $48,953,484, the city of Minneapolis agreed to finance $32,632,392 and the Authority agreed to finance $16,321,092 of project costs. The stadium project budget will provide the Authority's source of funds. The ramp will have 1,610 parking spaces and construction is scheduled for completion by December 31 2015. The project budget for the Ryan Skyways was $6,456,286 and the budget for the Stadium Skyway was $3,964,314. The skyways are 100% financed by the Authority and the stadium project budget will provide the sources of funds.

III. Other Information (continued)

4. Parking Agreement

On February 10, 2014 the Authority entered into a parking agreement with Ryan and the city of Minneapolis whereby the Authority will own the Downtown East Parking Ramp and the Block 1 Parking Ramp, the Authority will manage the Downtown East Parking Ramp from February 10, 2014 to December 31, 2015, and then Ryan will manage both parking facilities as of January 1, 2016.

E. Management and Pre-Opening Services Agreement

Effective August 22, 2014 the Authority entered into a management and pre-opening services agreement with a third party management company, SMG, to manage, operate, maintain and market the stadium site as an independent contractor of the Authority with respect to the day-to-day operations of the stadium during the term of the agreement. SMG is also responsible for assisting the Authority in strategic planning, project development, pre-opening review of the stadium site design and construction, pre-opening project coordination, pre-opening operational consulting, pre-opening venue marketing, and grand opening support services. The pre-opening period is from August 22, 2014 until opening of the stadium. In 2014 the Authority reimbursed SMG for pre-opening expenses of $144,711. These stadium operator expenses are reported as a nonoperating expense.

F. Construction commitments

Construction on the stadium project began in 2013 and continued throughout fiscal year 2014 and construction on the parking ramp began in September 2014. The Authority had the following construction commitments with contractors at December 31, 2014:

	Spent-to-date	Remaining Commitment
Architectural and engineering services	$ 32,487,220	$ 5,598,957
Construction management services	$ 296,093,588	$ 559,961,925
Owners representative services	$ 4,912,204	$ 5,899,836

G. Subsequent events

On January 30, 2015 the Authority executed the Food and Beverage, Catering, and Concession Agreement for provision of premium food and beverage operations, catering services and concession services at the stadium.

On April 27, 2015 the Authority purchased from the city of Minneapolis portions of 4th Street and 5th Street, properties adjacent to the stadium site, for $1,573,000. Acquisition of this property was needed in order to assemble the entire site necessary for the stadium.

MINNESOTA SPORTS FACILITIES AUTHORITY
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
Last 10 Years*

Schedule of the Authority's Share of Net Pension Liability
State Employees Retirement Fund

	2014
Authority's Proportion of the Net Pension Liability	0.051%
Authority's Proportionate Share of the Net Pension Liability	$ 827,002
Authority's Covered Employee Payroll	$ 1,343,195
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-employee Payroll	61.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.64%

The measurement date is June 30 of each year.

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

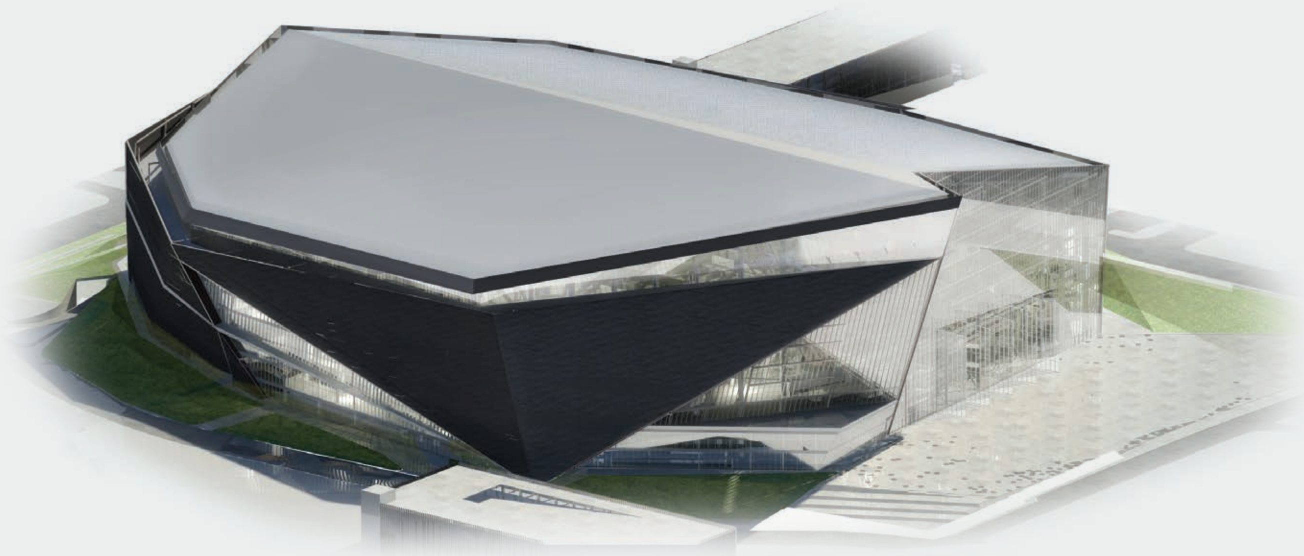
Schedule of Authority's Contributions
State Employees Retirement Fund

	2014
Contractually Required Contribution	$ 44,016
Contributions in Relation to the Contractually Required Contribution	$ 44,016
Contribution Deficiency (excess)	$ -
Authority's Covered-employee Payroll	$ 1,343,195
Contributions as a Percentage of Covered-employee Payroll	3.28%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

STATISTICAL SECTION

The Statistical Section provides financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, including the accompanying notes.



NEW STADIUM
— North West Perspective —

LIST OF STATISTICAL TABLES

1.0 FINANCIAL TRENDS

This information is intended to assist users in understanding and assessing how the Authority's financial position has changed over time. There are two tables presented in this section.

2.0 REVENUE CAPACITY

This information is intended to assist users in understanding and assessing the factors affecting the Authority's ability to generate its own-source revenues. Only one table is presented in this section.

3.0 DEMOGRAPHIC AND ECONOMIC INFORMATION

This information is intended to assist users in understanding the socioeconomic environment within which the Authority operates and to provide information that facilitates comparisons of financial statement information over time. There are two tables presented in this section.

4.0 OPERATING INFORMATION

This information is intended to provide contextual information about the Authority's operations and resources to assist readers in using financial statement information to understand and assess the Authority's employment. There is one table presented in this section.

MINNESOTA SPORTS FACILITIES AUTHORITY **Table 1.1**
Net Position by Component
Last Three Fiscal Years Ended December 31

	2014	2013	2012*
Investment in capital assets	$389,507,399	$52,256,276	$ 15,497,844
Unrestricted	16,692,006	24,144,345	12,080,223
Total net position	$406,199,405	$76,400,621	$27,578,067

* The Authority began operations on August 1, 2012 and net position for 2012 is reported as of December 31, 2012, for the five-month period then ended.

Unaudited
Source: Authority Finance department

MINNESOTA SPORTS FACILITIES AUTHORITY **Table 1.2**
Changes in Net Position
For the Three Fiscal Years Ended December 31

	2014	2013	2012*
Operating revenues:			
Concessions	$	$ 9,438,927	$ 8,479,625
Admission tax	-	4,276,114	4,098,350
Rent	-	4,810,944	4,068,914
Charges for services	13,067	1,501,944	908,813
Other	45,816	516,027	336,159
Parking operations and related revenues	405,166		
Total operating revenues	464,049	20,543,956	17,891,861
Operating expenses:			
Concession costs	221,220	5,072,396	4,101,323
Tenants share of concession receipts	-	1,244,224	1,309,240
Facilities cost credit	-	3,653,703	3,704,030
Personal services	1,841,609	2,623,548	1,085,418
Professional services	616,112	981,614	922,956
Contractual services	68,521	1,711,276	1,137,579
Supplies, repairs and maintenance	214,056	685,645	470,478
Utilities	96,842	3,148,122	1,436,919
Rent	172,210	-	-
Insurance	113,373	856,543	367,127
Parking operations	719,573	-	-
Event costs	-	673,132	388,508
Miscellaneous	203,832	327,711	303,098
Depreciation	292,293	4,250,905	1,898,121
Total operating expenses	4,559,641	25,228,819	17,124,797
Total operating income (loss)	(4,095,592)	(4,684,863)	767,064
Nonoperating revenues (expenses)	1,765,515	993,582	70,645
Income (loss) before capital contributions	(2,330,077)	(3,691,281)	837,709
Capital contributions	334,047,793	52,513,835	2,546,938
Change in net position	$331,717,716	$48,822,554	$3,384,647

* The Authority began operations on August 1, 2012 and changes in net position for 2012 are reported as of December 31, 2012, for the five-month period then ended.

Unaudited
Source: Authority Finance department

MINNESOTA SPORTS FACILITIES AUTHORITY **Table 2.1**
User Fee Revenues by Source
For the Three Fiscal Years Ended December 31

Fiscal Period	Concessions (1)	Admission Tax (2)	Rent (3)	Parking Operations	Charges for Services	Other
2014	$ -	$ -	$ -	$405,166	$ 13,067	$ 45,816
2013	$9,438,927	$4,276,114	$4,810,944	$ -	$1,501,944	$516,027
2012*	$8,479,625	$4,098,350	$4,068,914	$ -	$ 908,813	$336,159

* The Authority began operations on August 1, 2012 and user fee revenues by source for 2012 are reported as of December 31, 2012, for the five-month period then ended.

1) Various prices are charged for food and beverage concessions.
2) A 10% admission tax is assessed on all ticket sales for Metrodome events.
3) A 9.5% rental fee is assessed on Minnesota Vikings ticket sales and a $500 hourly rental fee is charged for nonmajor Metrodome users.

Unaudited
Source: Authority Finance department

MINNESOTA SPORTS FACILITIES AUTHORITY **Table 3.1**
Demographic and Economic Statistics
Last Ten Calendar Years

	Minneapolis-St. Paul Metropolitan Statistical Area			
Fiscal Year	**Population (1,3)**	**Personal Income (In Millions) (1,3)**	**Per Capita Income (1,3)**	**Unemployment Rate (2)**
2014	3,459,146	177,051	51,183	3.9%
2013	3,459,146	177,051	51,183	4.8%
2012	3,422,264	172,004	50,260	5.5%
2011	2,873,444	161,468	48,657	6.4%
2010	2,849,567	152,789	46,498	7.2%
2009	2,881,812	149,795	45,262	7.9%
2008	2,870,250	154,421	48,207	5.1%
2007	2,849,003	149,496	46,752	4.3%
2006	2,821,779	140,158	44,295	3.8%
2005	2,810,179	132,708	42,377	3.8%

Unaudited

Sources:
1) Metropolitan Council Comprehensive Annual Financial Report -internally updated information based on the U.S. Commerce Department and Bureau of Economic Analysis for the Minneapolis-St. Paul Metropolitan Statistical Area.
2) Metropolitan Council Comprehensive Annual Financial Report - State of Minnesota, Department of Employment and Economic Development (seven county area).
3) 2014 data not available at time of report.

MINNESOTA SPORTS FACILITIES AUTHORITY **Table 3.2**
Principal Employers in Minnesota
Current Year and Nine Years Ago

	Number of Minnesota Only Employees in thousands (except percentage)					
	2014			2005		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
State of Minnesota	55	1	2.98%	55	1	3.10%
Mayo Clinic	41	2	2.22%	-	-	-
United States Federal Gov't	31	3	1.68%	35	2	1.97%
Target Corporation	31	4	1.68%	24	4	1.35%
Allina Health System	27	5	1.47%	23	5	1.30%
University of Minnesota	25	6	1.36%	30	3	1.69%
HealthPartners Inc.	22	7	1.19%	-	-	-
Wal-Mart Stores Inc.	22	8	1.19%	18	8	1.01%
Fairview Health Services	21	9	1.14%	19	7	1.07%
Wells Fargo Minnesota	20	10	1.09%	19	6	1.07%
3M Co.	-	-	-	16	9	0.90%
Northwest Airlines Corp	-	-	-	16	10	0.90%
Total	295		16.00%	255		14.36%

Unaudited

Source: Metropolitan Council Comprehensive Annual Financial Report-Minneapolis/St. Paul Business Journal Book of Lists, December 26, 2014 and City Business-The Business Journal Book of Lists February 2005.
Note: Available list covers employment for entire State of Minnesota.

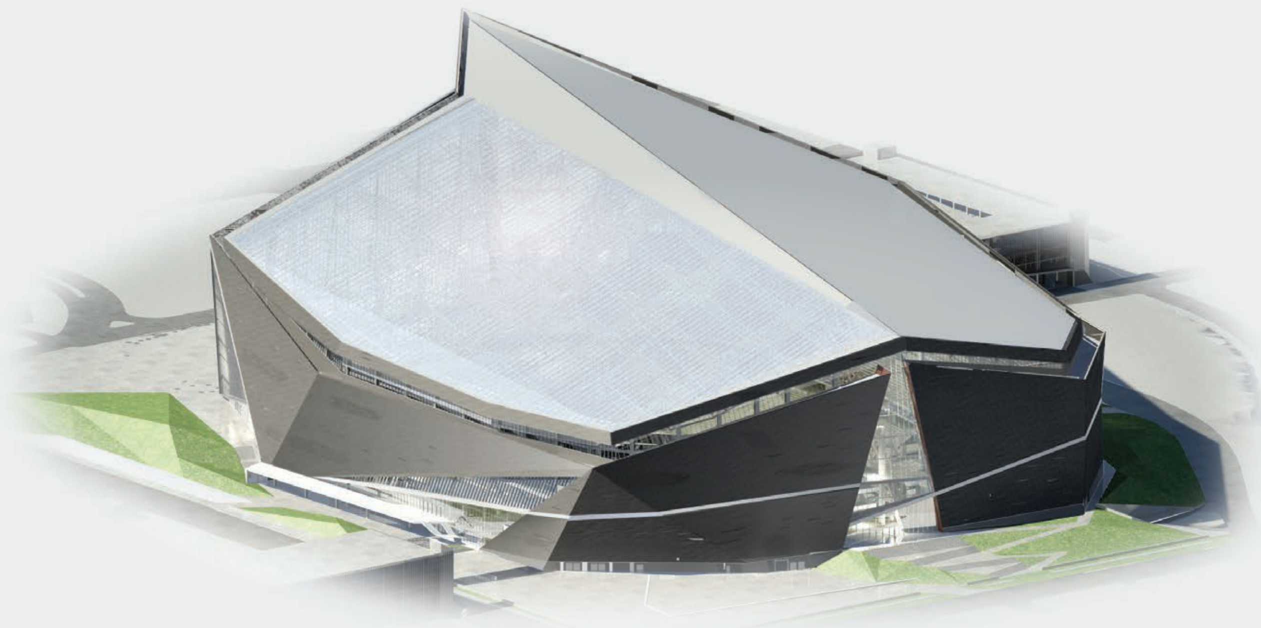
MINNESOTA SPORTS FACILITIES AUTHORITY **Table 4.1**
Full-Time Employees by Department
For the Three Fiscal Years Ended December 31

Fiscal Year	Administrative	Building Maintenance	Security	Total
2014	10	-	-	10
2013	8	11	2	21
2012*	7	11	2	20

* The Authority began operations on August 1, 2012 and full-time employees by department for 2012 are reported as of December 31, 2012.

Unaudited

Source: Authority Finance department



NEW STADIUM
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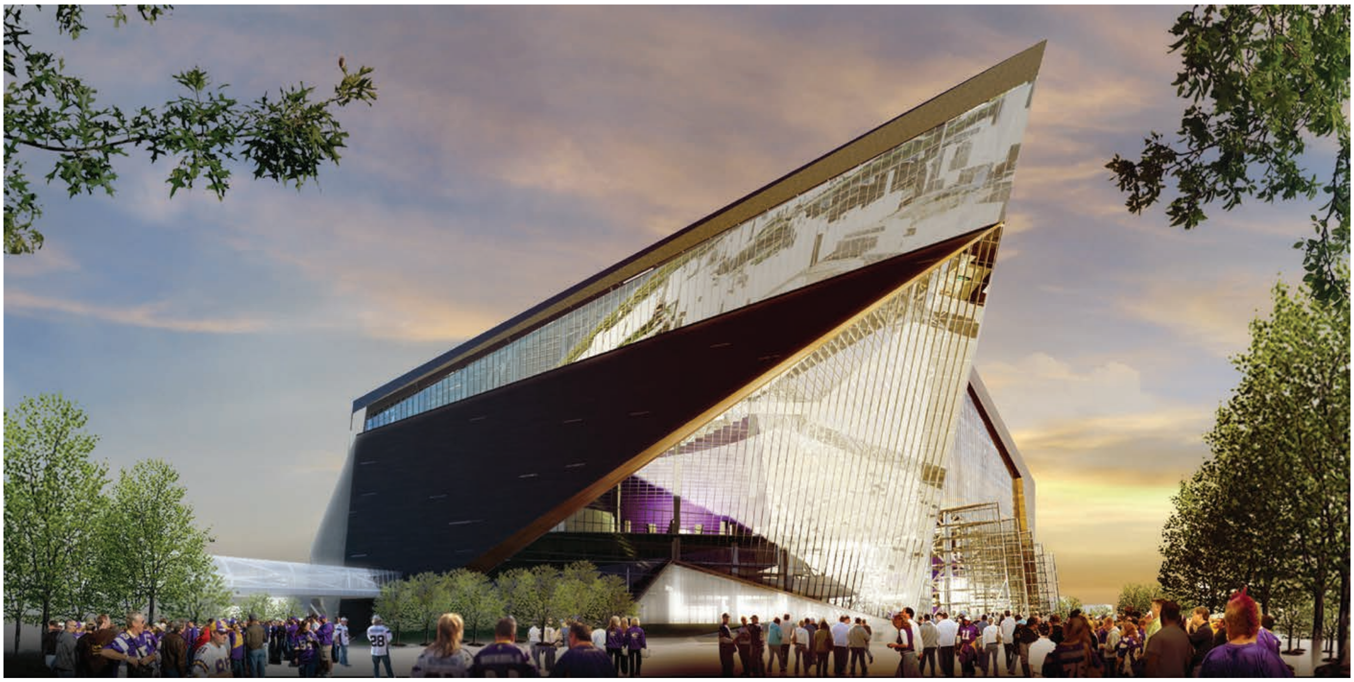

MINNESOTA SPORTS FACILITIES AUTHORITY

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