

FRANKLIN COUNTY STADIUM, INC. AND  
COLUMBUS BASEBALL TEAM, INC.

COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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Board of Trustees  
Franklin County Stadium, Inc. and Columbus Baseball Team, Inc.

We have reviewed the Independent Auditor's Report of the Franklin County Stadium, Inc. and Columbus Baseball Team, Inc., Franklin County, prepared by Haemmerle, Heximer, Harvey & Co. for the audit period January 1, 1999 through December 30, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Franklin County Stadium, Inc. and Columbus Baseball Team, Inc. is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO  
Auditor of State

March 30, 2000

# Haemmerle, Heximer, & Co. Harvey

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The Board of Trustees  
Franklin County Stadium, Inc.  
and Columbus Baseball Team, Inc.

### Independent Auditors' Report

We have audited the accompanying combined balance sheets of Franklin County Stadium, Inc. (the Stadium) and Columbus Baseball Team, Inc. (the Team) and the related combined statements of revenues, expenses and changes in equity and of cash flows as of and for the years ended December 31, 1999 and 1998. These combined financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these combined financial statements based on our audits. The Stadium and Team are component units of Franklin County pursuant to Codification of Governmental Accounting and Financial Reporting Standards (GASB) section 2600.128 and NO80.103.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Stadium and Team as of December 31, 1999 and 1998, and the results of their operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the combined financial statements taken as a whole. The accompanying financial information included in the attached Schedules is presented for purposes of additional analysis and is not a required part of the Stadium and Team combined financial statements. Such information has been subjected to the auditing procedures applied in the audits of the aforementioned combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the aforementioned combined financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated February 4, 2000 on our consideration of Stadium's and Team's compliance and on their internal control over financial reporting.

*Haemmerle, Heximer, Harvey & Co.*  
HAEMMERLE, HEXIMER, HARVEY & CO.

Member: American Institute of Certified Public Accountants

February 4, 2000

## FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

## COMBINED BALANCE SHEETS

DECEMBER 31, 1999 AND 1998

<u>ASSETS</u>	<u>1999</u>	<u>1998</u>
Cash and cash equivalents (Note 2)	\$ 713,816	\$ 262,299
Investments available for sale (Notes 3 and 4)	2,677,136	3,534,564
Trade accounts receivable, net of allowance for doubtful accounts of \$1,050	11,376	15,194
Accounts receivable from Franklin County (Note 6)	98,291	-
Souvenir and equipment inventory	110,156	90,449
Other prepaid expenses	46,550	26,217
Property, plant and equipment, net (Note 5)	<u>4,095,658</u>	<u>3,919,582</u>
Total assets	<u>\$ 7,752,983</u>	<u>\$ 7,848,305</u>
 <u>LIABILITIES AND FUND EQUITY</u>		
Accounts payable	\$ 133,000	\$ 671,232
Accrued expenses	21,194	17,005
Due to others (Note 4)	187,500	185,000
Franklin County funds (Note 6)	-	184,807
Deferred revenue:		
Season tickets	204,417	247,870
Other	<u>118,181</u>	<u>71,034</u>
Total deferred revenue	<u>322,598</u>	<u>318,904</u>
Total liabilities	<u>664,292</u>	<u>1,376,948</u>
Fund equity:		
Net unrealized holding gains on investments available for sale (Note 3)	892,049	533,455
Retained earnings:		
Reserved (Note 5)	2,500,000	2,500,000
Unreserved	<u>3,696,642</u>	<u>3,437,902</u>
Total fund equity	<u>7,088,691</u>	<u>6,471,357</u>
Total liabilities and fund equity	<u>\$ 7,752,983</u>	<u>\$ 7,848,305</u>

See accompanying notes to combined financial statements.

FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.  
 COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN EQUITY  
 FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
Operating revenues:		
Ticket sales:		
Season	\$ 576,272	\$ 539,068
Advance	379,153	410,394
Daily	348,042	283,747
Seat license	16,127	-
Post season	12,139	-
Total ticket sales	<u>1,331,733</u>	<u>1,233,209</u>
Concessions	1,957,302	1,835,482
Special events	90,164	93,490
Terror Park (Note 7)	241,198	-
Advertising	610,283	572,200
Parking	238,935	266,349
International League expansion	-	535,039
Other	<u>173,311</u>	<u>130,023</u>
Total operating revenues	<u>4,642,926</u>	<u>4,665,792</u>
Operating expenses:		
Administration and support (Note 4)	1,773,590	1,467,887
Stadium operations (Notes 5, 6 and 8)	1,059,580	954,117
Depreciation (Note 5)	395,170	227,430
Team (Note 9)	350,537	341,769
Concessions	<u>1,062,734</u>	<u>992,923</u>
Total operating expenses	<u>4,641,611</u>	<u>3,984,126</u>
Operating income	<u>1,315</u>	<u>681,666</u>
Nonoperating revenues:		
Investment income	<u>257,425</u>	<u>237,889</u>
Total nonoperating revenues	<u>257,425</u>	<u>237,889</u>
Net income	<u>258,740</u>	<u>919,555</u>
Net change in unrealized holding gains on investments available for sale (Note 3)	<u>358,594</u>	<u>168,187</u>
Fund equity at beginning of year	<u>6,471,357</u>	<u>5,383,615</u>
Fund equity at end of year	<u>\$ 7,088,691</u>	<u>\$ 6,471,357</u>

See accompanying notes to combined financial statements.

## FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

## COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities:		
Cash received from customers	\$ 4,552,147	\$ 4,351,723
Cash paid to suppliers and employees	<u>(5,002,831)</u>	<u>(2,961,816)</u>
Net cash provided by (used in) operating activities	(450,684)	1,389,907
Cash flows from capital activities:		
Acquisition of property, plant and equipment	<u>(571,246)</u>	<u>(2,149,996)</u>
Net cash used in capital activities	(571,246)	(2,149,996)
Cash flows from investing activities:		
Investment income	63,672	191,453
Proceeds from sales of investments available for sale	2,899,491	3,223,650
Gain on sale of investments available for sale	(193,753)	(46,406)
Purchase of investments available for sale	<u>(1,295,963)</u>	<u>(3,369,943)</u>
Net cash provided by (used in) investing activities	<u>1,473,447</u>	<u>(1,276)</u>
Net increase (decrease) in cash and cash equivalents	451,517	(761,365)
Cash and cash equivalents at beginning of year	<u>262,299</u>	<u>1,023,664</u>
Cash and cash equivalents at end of year	\$ <u>713,816</u>	\$ <u>262,299</u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$ 1,315	\$ 681,666
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation	395,170	227,430
(Increase) decrease in assets:		
Accounts receivable - trade	3,818	8,359
Accounts receivable Franklin County	(98,291)	-
Souvenir and equipment inventory	(19,707)	59,531
Other prepaid expenses	(20,333)	(47,364)
Increase (decrease) in liabilities:		
Accounts payable	(538,232)	563,176
Accrued expenses	4,189	7,230
Due to others	2,500	27,500
Franklin County funds	(184,807)	184,807
Deferred revenue	<u>3,694</u>	<u>(322,428)</u>
Total adjustments	<u>(451,999)</u>	<u>708,241</u>
Net cash provided by (used in) operating activities	\$ <u>(450,684)</u>	\$ <u>1,389,907</u>

See accompanying notes to combined financial statements.

FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998

1. Summary of Significant Accounting Policies

Franklin County Stadium, Inc. (the Stadium) and Columbus Baseball Team, Inc. (the Team) were organized by Franklin County, Ohio (the County) as nonprofit Ohio corporations in accordance with Section 1702.01 of the Ohio Revised Code to manage, operate and promote a professional baseball team and such other forms of entertainment that benefit the general welfare of the County. Both corporations are directed by the Franklin County Board of Parks and Recreation and are component units of the County.

The accounting policies and financial reporting practices of the Stadium and Team conform to Generally Accepted Accounting Principles (GAAP). The Stadium and Team apply all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Stadium and Team have implemented GASB Statement 20. They have elected to apply all applicable statements issued by the Financial Accounting Standards Board (FASB). The adoption of this approach to accounting required no change from prior years. The following is a summary of its significant accounting policies:

(a) Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenses. The operating fund of the Stadium and Team is a proprietary fund. It is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of operating the stadium are financed through user charges.

(b) Basis of Accounting

The proprietary fund is reported using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses, including depreciation, are recognized at the time liabilities are incurred.

The Stadium and Team report deferred revenue on the combined balance sheet. Deferred revenue arises when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenue also arises when resources are received by the Stadium and Team before they have a legal claim to them, as when season ticket monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the Stadium and Team have a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

(Continued)

FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998

(c) Budgetary Data

The Stadium and Team are not subject to annual budget requirements.

(d) Management's Estimates

Preparation of financial statements in accordance with generally accepted accounting principles requires the use of management's estimates.

(e) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all cash in checking accounts, money market accounts and petty cash to be cash equivalents.

(f) Investments Available for Sale

Investments available for sale are stated at fair value. The Stadium and Team pool all individual cash balances and investments available for sale for investment purposes. Investment income is credited to the Stadium and Team based on the average investment balances in each entity.

The Stadium and Team use the specific identification cost method when calculating realized gains and losses on sales of investments available for sale.

(g) Souvenir and Equipment Inventory

Inventories are stated at the lower of cost (first-in, first-out basis) or market. The cost of inventory is recorded as an expenditure at the time individual inventory items are consumed.

(h) Property, Plant and Equipment

Property, plant and equipment purchases are capitalized at cost. Depreciation is recorded on the straight-line basis using the following asset lives:

Team equipment	5 - 10 years
Office equipment	5 - 10 years
Grand maintenance equipment	5 - 10 years
Stadium equipment	5 - 10 years
Leasehold improvements	5 - 20 years
Playing field	10 years

(i) Advertising

Advertising costs are expensed as incurred. Advertising costs, net of reimbursement from sponsors, were \$139,833 and \$108,550 for 1999 and 1998, respectively.

(Continued)



FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998

(j) Income Taxes

Management believes that the Stadium and Team are exempt from Federal income taxes under Section 115 of the Internal Revenue Code. Accordingly, no income tax expense is recorded in the accompanying combined financial statements.

(k) Reclassifications

Certain amounts in the 1998 financial statements have been reclassified to agree with the 1999 presentation.

2. Cash and Cash Equivalents

At December 31, 1999, the Stadium and Team held a cash book balance of \$713,816. Of this total, \$367,671 is held in money market accounts at investment companies. The bank balance in their accounts is \$319,083, of which \$145,672 was covered by federal depository insurance and \$173,411 uncollateralized as defined by the GASB. These uncollateralized deposits were, however, covered by a pledged collateral pool.

3. Investments Available for Sale

The Stadium's and Team's investments are categorized below to give an indication of the level of risk assumed at year-end. Category No. 1 includes investments insured or collateralized with securities held by the entity or by its agent in the entity's name. Category No. 2 includes investments collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name. Category No. 3 includes investments which are uncollateralized. (This includes any investment balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the entity's name). All investments and deposits of the Stadium and Team meet the criteria for categorization, except for mutual funds, which, by their nature, are not required to be categorized. There are no legal restrictions over the type of investments in which the Stadium and Team may invest.

Investments:	Category			Fair Value	Cost
	1	2	3		
Managed equity account	\$1,907,605	-	-	\$1,907,605	\$1,130,654
Mutual Funds				476,813	361,714
Cash surrender value of life insurance				135,218	135,218
Deferred compensation accounts (Note 4)				157,500	157,500
Total investments				\$2,677,136	\$1,785,086

(Continued)

## FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998

3. Investments Available for Sale - (Continued)

SFAS 115 became effective for financial statements for fiscal years beginning after December 15, 1993. The Stadium and Team adopted this statement as of January 1, 1994. The following disclosures are required by SFAS 115:

	1999	1998
Proceeds from sales of investments available for sale	\$2,899,491	\$3,223,650
Gross realized gains from sales of investments available for sale	\$ 240,777	\$ 50,028
Gross realized losses from sales of investments available for sale	\$ 47,024	\$ 3,592
Change in net unrealized holding gains or losses included as a separate component of fund equity	\$ 358,594	\$ 168,187

Gross unrealized holding gains were \$892,049, as of December 31, 1999.

4. Retirement and Deferred Compensation

Certain employees of the Stadium and Team participate in a nonqualified retirement plan. The Stadium and Team have a policy of purchasing life insurance policies for these employees. The Stadium and Team are the owner and beneficiary of these policies. The cash surrender value of these policies is included in investments available for sale (see Note 3).

Certain employees of the Stadium and Team participate in nonqualified Deferred Compensation Plans (the Plans). Under these Plans employees defer a portion of their incentive pay until a later date, usually after retirement. The benefits under these Plans are subject to vesting schedules. The assets of the Plans remain the property of the Stadium and Team until the employees vest in their benefit. The Stadium and Team have a fiduciary responsibility regarding these assets and their use.

5. Property, Plant and Equipment

The changes in components of property, plant and equipment in 1999 were as follows:

	Balance at 12/31/98	Additions	Retirements	Balance at 12/31/99
Team equipment	\$ 39,268	\$ -	\$ -	\$ 39,268
Office equipment	118,476	-	-	118,476
Stadium equipment	622,658	68,317	-	690,975
Ground, maintenance equipment	-	39,770	-	39,770
Leasehold improvements	4,332,511	716,210	-	5,048,721
Playing field	-	922,782	-	922,782
Construction in progress	1,175,833	-	1,175,833	-
	6,288,746	1,747,079	1,175,833	6,859,992
Accumulated depreciation	(2,369,164)	395,170	-	(2,764,334)
	<u>\$3,919,582</u>	<u>\$1,351,909</u>	<u>\$1,175,833</u>	<u>\$4,095,658</u>

(Continued)

FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998

5. Property, Plant and Equipment - (Continued)

Depreciation expense totaled \$395,170 and \$227,430 for the years ended December 31, 1999 and 1998, respectively. The significant increase in depreciation expense is attributable to the new grass playing field installed in 1999.

The Stadium and Team have various capital improvement plans for Cooper Stadium. The improvement projects are expected to cost approximately \$5.25 million through 2001. The first \$2.50 million for these projects has been reserved in retained earnings, with the remaining portion to be funded by future operations.

6. Franklin County Funds

The Stadium received \$2.0 million from the County in 1998 to offset the costs of two major construction contracts. One contract was completed in 1998; the other was included in construction in progress. The amount recorded on the balance sheet at December 31, 1998 represented the remainder of these funds, which were fully applied against 1999 invoices for the second construction contract.

The Stadium received \$604,452 in 1999 to partially offset the cost of a new scoreboard. Accounts receivable includes approximately \$98,291 that the stadium billed the county for the remainder of the scoreboard cost.

7. Terror Park

The Stadium began operating a haunted house in 1999 during the month of October. The haunted house was intended to generate revenues to replace the lost revenues from the Ohio Music Education Association state marching band contest (OMEA band contest). The OMEA band contest had been conducted at the facilities for a number of years. However, the new grass field would not be able to withstand the stress of the numerous marching bands. The haunted house generated \$241,198 in revenues and incurred \$230,582 in expenses. The expenses are included in the stadium operations expenses.

8. Transactions with Affiliates

The Stadium leases Cooper Stadium from the Franklin County Commissioners (the Commissioners) for a fee of \$1.00 per year plus an amount to be jointly agreed upon by the Board of Trustees and the Commissioners based upon the availability of unexpended revenue and considering any and all funds expended by the Stadium and Team for maintenance and/or improvements to Cooper Stadium. The lease expense was \$ 1 for 1999 and 1998. The lease is for an indefinite term, but must be renewed each year. The Stadium subleases Cooper Stadium to the Team.

(Continued)

FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998

9. Player Development Contracts/Baseball Agreement

In January 1999, the National Association of Professional Baseball Leagues (the Minor Leagues) signed an agreement (the baseball agreement) with the National League of Professional Baseball Clubs and the American League of Professional Baseball Clubs (collectively the Major Leagues), which is effective through September 30, 2007, subject to modification by either party after the 2003 season. The terms of the baseball agreement modified the Team's player development contract with the Major Leagues. Under the terms of the baseball agreement, the Major League Club (New York Yankees Baseball Club) is responsible for the entire salary and other related compensation amounts of the players. The Team is responsible for the players hotel and travel costs, uniform and equipment cost and other partial costs as designated in the contract.

In addition, beginning in 1992 the baseball agreement requires payment from the Minor Leagues to the Major Leagues for maintenance of the player development contracts, in an amount equal to a percentage of the Minor League's Clubs' net championship season ticket revenue. In 1999, each Minor league team paid 3.5% of the net championship season ticket revenue.

The Team has renewed the operating contract with the New York Yankees Baseball Club through December 2003.

## FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

## SUPPLEMENTARY COMBINING SCHEDULE OF REVENUES AND EXPENSES

## Schedule I

FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Team</u>	<u>Stadium</u>	<u>Elimination</u>	<u>1999</u>	<u>Totals 1998</u>
Operating revenues					
Ticket sales:					
Season	\$ 576,272	\$ -	\$ -	\$ 576,272	\$ 539,068
Advance	379,153	-	-	379,153	410,394
Daily	348,042	-	-	348,042	283,747
Seat license	16,127	-	-	16,127	-
Post season	12,139	-	-	12,139	-
Total ticket sales	1,331,733	-	-	1,331,733	1,233,209
Concessions	1,730,255	227,047	-	1,957,302	1,835,482
Special events	61,134	29,030	-	90,164	93,490
Terror Park	-	241,198	-	241,198	-
Advertising	543,602	66,681	-	610,283	572,200
Stadium rental	-	285,000	(285,000)	-	-
Parking	166,581	72,354	-	238,935	266,349
International league expansion	-	-	-	-	535,039
Other	147,295	26,016	-	173,311	130,023
Total operating revenues	3,980,600	947,326	(285,000)	4,642,926	4,665,792
Operating expenses					
Administration and Support	1,381,489	392,101	-	1,773,590	1,467,887
Stadium operations	893,241	451,339	285,000	1,059,580	954,117
Depreciation	312,184	82,986	-	395,170	227,430
Team	350,537	-	-	350,537	341,769
Concessions	939,457	123,277	-	1,062,734	992,923
Total operating expenses	3,876,908	1,049,703	285,000	4,641,611	3,984,126
Operating income	103,692	(102,377)	-	1,315	681,666
Nonoperating revenues:					
Investment income	2,348	255,077	-	257,425	237,889
Total nonoperating revenues	2,348	255,077	-	257,425	237,889
Net income	\$ 106,040	\$ 152,700	\$ -	\$ 258,740	\$ 919,555

See accompanying notes to combined financial statements.

## FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

## SUPPLEMENTARY COMBINING SCHEDULE OF REVENUES AND EXPENSES

## Schedule II

FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Team</u>	<u>Stadium</u>	<u>Elimination</u>	<u>1999</u>	<u>Totals 1998</u>
Administration and support:					
Payroll, payroll taxes and other benefits	\$ 888,042	\$ 280,435	\$ -	\$ 1,168,477	\$ 1,066,798
Insurance	79,278	25,035	-	104,313	97,370
Travel and entertainment	28,356	8,955	-	37,311	31,012
Advertising	139,833	-	-	139,833	108,550
Other	245,980	77,676	-	323,656	164,157
Total administration and support expenses	<u>\$ 1,381,489</u>	<u>\$ 392,101</u>	<u>\$ -</u>	<u>\$ 1,773,590</u>	<u>\$ 1,467,887</u>
Stadium operations:					
Supplies, repairs and maintenance	\$ 229,886	\$ 72,595	\$ -	\$ 302,481	\$ 398,576
Special events	20,128	140,695	-	160,823	202,334
Terror park	-	230,582	-	230,582	-
Printing	179,031	-	-	179,031	191,728
Rent	285,000	1	285,000	1	1
Utilities	179,196	7,466	-	186,662	161,478
	<u>\$ 893,241</u>	<u>\$ 451,339</u>	<u>\$ 285,000</u>	<u>\$ 1,059,580</u>	<u>\$ 954,117</u>
Depreciation	<u>\$ 312,184</u>	<u>\$ 82,986</u>	<u>\$ -</u>	<u>\$ 395,170</u>	<u>\$ 227,430</u>
Team:					
Travel costs					
Air	\$ 82,246	\$ -	\$ -	\$ 82,246	\$ 93,661
Ground	31,562	-	-	31,562	29,585
Lodging	79,333	-	-	79,333	64,557
Equipment	9,417	-	-	9,417	10,637
Professional baseball dues	112,152	-	-	112,152	105,984
Other	35,827	-	-	35,827	37,345
Total team expenses	<u>\$ 350,537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,537</u>	<u>\$ 341,769</u>
Concessions:					
Cost of concessions	\$ 704,683	\$ 92,470	\$ -	\$ 797,153	\$ 738,499
Payroll and payroll taxes	234,774	30,807	-	265,581	254,424
Total concessions expenses	<u>\$ 939,457</u>	<u>\$ 123,277</u>	<u>\$ -</u>	<u>\$ 1,062,734</u>	<u>\$ 992,923</u>

See accompanying notes to combined financial statements.

# Haemmerle, Heximer, & Co. Harvey

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### **Independent Accountants' Report on Compliance And on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

The Board of Trustees  
Franklin County Stadium and Columbus Baseball Team, Inc.

We have audited the combined financial statements of Franklin County Stadium, Inc. (the Stadium) and Columbus Baseball Team, Inc. (the Team) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 4, 2000. We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Stadium's and Team's compliance with certain provisions of laws, regulations, contracts and grants noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

#### Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Stadium's and Team's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined financial statements and not to provide assurance on the internal control over financial reporting. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the combined financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the Board of Trustees, management, and the Auditor of State of Ohio, and is not intended and should not be used by anyone other than these specified parties.

*Haemmerle, Heximer, Harvey & Co.*  
HAEMMERLE, HEXIMER, HARVEY & CO.

February 4, 2000





STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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FRANKLIN COUNTY STADIUM, INC. AND COLUMBUS BASEBALL TEAM, INC.

### CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

By: Susan Babbitt

Date: APRIL 11, 2000