

10-05-17 Proposed Resolution 17-MBA-134

Purpose:

To adopt a final 2018 MBA operating budget and Special Revenue Fund budget for the Minnesota Ballpark Authority.

Background:

The MBA Board reviewed the proposed 2018 operating budget of \$720,000 at their July 13th meeting. The Board then authorized the Executive Director to submit the proposed 2018 MBA budget to Hennepin County for approval, as called for in the Grant Agreement between the Minnesota Ballpark Authority and Hennepin County. The Hennepin County Board of Commissioners reviewed the proposed budget at their September 12, 2017 board meeting and are scheduled to adopt a final budget on December 12, 2017.

The MBA is requesting a grant from Hennepin County Sales Tax in the amount of \$720,000, to fund the General Fund in 2018. No changes or amendments to the proposed General Fund budget are being submitted at this time. The General Fund budget for 2018 is shown in Schedule A, as attached.

Per the Lease Agreement between the Minnesota Ballpark Authority and Twins Ballpark, LLC, a capital reserve fund was established, upon completion of the ballpark, to account for future ballpark improvements. Annual contributions to the Twins Ballpark Capital Reserve Fund include rent from Twins Ballpark, LLC and a capital contribution from Hennepin County. Contributions from the County are provided in the amount of \$1,100,000, indexed for inflation. The annual requested capital contribution from Hennepin County for 2018 is \$1,243,501, and annual rent from the Twins, indexed for inflation, is calculated at \$978,273. A proposed Twins Ballpark Capital Reserve Fund budget of \$2,271,000 is hereby recommended, and is shown in Schedule B attached.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority Board hereby adopts a final 2018 General Fund budget of \$720,000, as incorporated herein and attached as Schedule A, pending final approval by the Hennepin County Board on December 12, 2017; and

BE IT FURTHER RESOLVED that the Minnesota Ballpark Authority Board hereby adopts a 2018 Special Revenue Fund budget of \$2,271,000, for the Ballpark Capital Reserve Fund, as incorporated herein and attached as Schedule B.

**SCHEDULE A
2018 OPERATING BUDGET
GENERAL FUND**

The General Fund provides for day-to-day operations of the MBA.

Budget Summary - Fund 82:

	2016 Actual	2017 Budget	2018 Budget
Beginning Fund Balance	\$ 1,066,703	\$ 1,054,560	\$ 1,054,560
Revenues:			
<i>County Grant</i>	640,000	725,000	720,000
<i>Interest Revenue</i>	4,203	-	-
Total Revenue	\$ 644,203	\$ 725,000	\$ 720,000
Expenditures:			
<i>Personal Services</i>	401,067	430,350	440,350
<i>Commodities</i>	12,988	6,900	6,900
<i>Contracted Services</i>	191,125	214,250	214,250
<i>Other</i>	51,166	73,500	58,500
Total Expenses	\$ 656,346	\$ 725,000	\$ 720,000
Ending Fund Balance	<u>\$ 1,054,560</u>	<u>\$ 1,054,560</u>	<u>\$ 1,054,560</u>

SCHEDULE B
2018 BUDGET
TWINS BALLPARK CAPITAL RESERVE FUND

A Special Revenue Fund accounts for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The Twins Ballpark Capital Reserve Fund is a Special Revenue Fund established as required in the Ballpark Lease Agreement By and Between the Minnesota Ballpark Authority and Twins Ballpark, LLC. Revenue sources for this fund include rent from Twins Ballpark, LLC, capital contributions from Hennepin County and interest earned on investments. Expenditures from the fund are restricted to capital improvements of the ballpark.

Budget Summary - Fund 83:

	2016 Actual	2017 Budget	2018 Budget
Beginning Fund Balance	\$ 12,783,674	\$ 15,006,028	\$ 17,248,028
Revenues:			
<i>Annual Rent</i>	960,782	968,000	978,000
<i>Hennepin County Contribution</i>	1,211,433	1,224,000	1,243,000
<i>Investment earnings</i>	50,139	50,000	50,000
Total Revenue	\$ 2,222,354	\$ 2,242,000	\$ 2,271,000
Expenditures:			
<i>Future Capital Projects</i>	-	2,242,000	2,271,000
Total Expenses	\$ -	\$ 2,242,000	\$ 2,271,000
Ending Fund Balance	\$ 15,006,028	\$ 17,248,028	\$ 19,519,028