



Minnesota Ballpark Authority Board Meeting Minutes – October 11, 2019

Chair Margaret Anderson Kelliher called the board meeting of the Minnesota Ballpark Authority for October 11, 2019 to order at 1:30 p.m. The roll was taken. Commissioners David Ybarra, James R. Campbell, Joan Campbell and Paul Williams were present.

Commissioner Paul Williams moved approval of the agenda, seconded by Commissioner James R. Campbell and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

Commissioner Joan Campbell moved approval of the July 9, 2019 meeting minutes seconded by Commissioner Ybarra and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

Public Comment – No members of public present

Chair's Report – Chair Margaret Anderson Kelliher stated that she and Executive Director Kenney recently meet with the Twins to do an annual review of the Twins audit. They discussed some potential future Capital improvements and in reviewing the team financials, everything is in order and the health of the team is good.

Executive Director's Report – Executive Director Dan Kenney reported the MBA is continuing to work on the land transfer with the Hennepin County Regional Rail Authority. The transaction will split the tax parcel, so it will be going through the City Planning Commission before the end of the year. Executive Director Kenney and Matt Hoy are working with the Southwest Project office to revise the security perimeter around the ballpark. There are existing bollards in the Cedar Lake Trail which would impede Burlington Northern's access to their new access gate. The new system would move the bollards and eliminate the need for Burlington Northern to notify the Authority when they are using the Trail access. Mr. Kenney said that he wanted to thank the 1st Precinct police officers for their good work in identifying and getting charges filed against the perpetrators related to the recent assaults in the North Loop. We are seeing positive changes in the neighborhood since those arrests were made. The MBA and the Twins will continue to pay attention to safety and security and work with the police department and other parties to make sure that people continue to feel safe in and around Target Field.

ACTION ITEMS

10-11-19 Proposed Resolution 19-MBA-155

Purpose:

To authorize the Executive Director to proceed with publication of the Minnesota Ballpark Authority 2018 Annual Financial Report, upon completion of the MBA Audit Exit meeting.

Background:

The State Auditor's Office is completing their review of financial statements of the Minnesota Ballpark Authority for the period ended December 31, 2018. When the State Auditor's Opinion Letter is submitted, the MBA Audit Committee will participate in an Audit Exit Meeting. After the Exit meeting, the MBA Executive Director may proceed with publication of the Annual Financial Report with authorization from the MBA Board.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority Board authorizes the Executive Director to proceed with publication of the Annual Financial Report upon completion of the MBA Audit Exit meeting.

APPROVED

10-11-19 Proposed Resolution 19-MBA-156

Purpose:

To adopt a final 2020 MBA operating budget and Special Revenue Fund budget for the Minnesota Ballpark Authority.

Background:

The MBA Board reviewed the proposed 2020 operating budget of \$700,000 at their July 9th meeting. The Board then authorized the Executive Director to submit the proposed 2020 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 24, 2019 board meeting and are scheduled to adopt a final budget on December 3, 2019.

The MBA is requesting a grant from Hennepin County Sales Tax in the amount of \$700,000, to fund the General Fund in 2020. No changes or amendments to the proposed General Fund budget are being submitted at this time. The General Fund budget for 2020 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 2020 is \$1,300,296, and annual rent from the Twins, indexed for inflation, is calculated at \$1,009,253. A proposed Twins Ballpark Capital Reserve Fund budget of \$2,467,000 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 2020 General Fund budget of \$700,000, as incorporated herein and attached as Schedule A, pending final approval by the Hennepin County Board on December 3, 2019; and

BE IT FURTHER RESOLVED that the Minnesota Ballpark Authority Board hereby adopts a 2020 Special Revenue Fund budget of \$2,467,000, for the Ballpark Capital Reserve Fund, as incorporated herein and attached as Schedule B.

APPROVED

**SCHEDULE A
2020 OPERATING BUDGET
GENERAL FUND**

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

Budget Summary - Fund 82:

	2018 Actual	2019 Budget	2020 Budget
Beginning Fund Balance	\$ 1,067,832	\$ 1,068,782	\$ 1,068,782
Revenues:			
<i>County Grant</i>	640,000	700,000	700,000
<i>Interest Revenue</i>	12,828	-	-
<i>Other</i>	27	-	-
Total Revenue	\$ 652,855	\$ 700,000	\$ 700,000
Expenditures:			
<i>Personal Services</i>	424,862	435,800	450,000
<i>Commodities</i>	1,040	6,900	1,300
<i>Contracted Services</i>	174,285	196,700	193,300
<i>Other</i>	51,718	60,600	55,400
Total Expenses	\$ 651,905	\$ 700,000	\$ 700,000
Ending Fund Balance	\$ 1,068,782	\$ 1,068,782	\$ 1,068,782

SCHEDULE B
2020 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. At this time, there are no specific capital projects projected to be financed from this fund for 2020.

Budget Summary - Fund 83:

	2018 Actual	2019 Budget	2020 Budget
Beginning Fund Balance	\$ 15,581,877	\$ 13,031,816	\$ 15,406,816
Revenues:			
<i>Annual Rent</i>	978,273	997,000	1,012,000
<i>Hennepin County Contribution</i>	1,243,501	1,278,000	1,305,000
<i>Investment earnings</i>	228,165	100,000	150,000
Total Revenue	\$ 2,449,939	\$ 2,375,000	\$ 2,467,000
Expenditures:			
<i>Capital Outlay - Ballpark Improvements</i>	5,000,000	-	-
<i>Future Capital Projects</i>	-	2,375,000	2,467,000
Total Expenses	\$ 5,000,000	\$ 2,375,000	\$ 2,467,000
Ending Fund Balance	<u>\$ 13,031,816</u>	<u>\$ 15,406,815.66</u>	<u>\$ 17,873,816</u>

10-11-19 Proposed Resolution 19-MBA-157

Purpose:

To set the 2020 Minnesota Ballpark Authority board meeting schedule.

Background:

The Minnesota Open Meeting Law anticipates that public bodies will set regular meetings. In August of 2006, the MBA passed a resolution establishing regular monthly board meetings. In June of 2010, upon completion of ballpark construction and the opening of Target Field, the MBA changed the board meeting schedule from monthly to quarterly meetings.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority 2020 quarterly board meetings will be held on Thursday, January 9, Thursday, April 9th, Thursday, July 16th, and Thursday, October 8th. All meetings will begin at 9:00 a.m. at Target Field. Staff is directed to post the new schedule on the website and to post notification by such other means as they determine necessary and appropriate.

APPROVED

10-11-19 Proposed Resolution 19-MBA-158

Purpose:

To authorize the Chair and Executive Director to execute a cost participation agreement with the Minnesota Twins for study costs related to seeking SAFETY Act certification and designation for Target Field.

Background:

In preparation for seeking SAFETY Act certification and designation for Target Field, the Minnesota Twins have engaged Walter P Moore to conduct a Threat, Vulnerability, and Risk Assessment (TVRA).

Over the last few months, the consultants have been conducting a thorough review of the existing conditions around the ballpark and developing recommendations on mitigation strategies to address potential security risks. The next phase will focus on potential mitigation strategies and developing a timeline for implementation.

The team has requested that the MBA fund half the cost of the TVRA study and MBA staff is recommending contributing \$65,000 to this effort. The MBA's proposed contribution would be paid from the Ballpark Capital Project Fund, which has a current balance of approximately \$8.4 million.

Action Requested:

BE IT RESOLVED that the MBA Board authorizes the Chair and Executive Director to negotiate and execute a cost participation agreement with the Minnesota Twins in an amount not-to-exceed \$65,000 from the Ballpark Capital Project Fund for the Threat, Vulnerability, and Risk Assessment (TVRA) of Target Field.

APPROVED

DISCUSSION ITEMS

Target Field Operations Update – Matt Hoy, Senior VP, Operations, Minnesota Twins. Mr. Hoy reported that the changes to entry procedures at the gates went very well this year.

The new Gate 34 Experience was very popular. It gave some new vendors a chance to participate that would not otherwise have been able to come to Target Field and serve their food or showcase their merchandise to the guests here at Target Field. There will be discussions in the off-season regarding modifications that can be made to this area next year.

The football game between North Dakota State and Butler drew in 34,500 people. Tickets sold this year, including the football game were 2,335,000.

One concert is scheduled for 2020 but the team is hoping for two more music events to be scheduled.

CAP EX projects for this year include carpet replacement, updating security systems, winterization of the building, technology system upgrades, a new x-ray machine in the mailroom, the new Gate 34, and the new batter's eye.

In 2020, the Twins will be renewing a number of suite leases. There is discussion of upgrading and updating some of the suites. Other upcoming projects will include replacing the flammable fluid trap by the north gate, extending the netting along baseline sections, some minor changes to the home clubhouse, new canopies over the seating areas of the bullpen with radiant heaters installed, and the bullpen turf will be replaced.

Financial Report – Brenda Juneau, MBA Finance Coordinator. Ms. Juneau reported on the financial report through September 30, 2019. The General Fund is stable with little change from last year. Annual expenditures and consulting costs remain steady, and the MBA will likely come in under budget at the end of 2019.

The annual Audit for 2018 is complete and the MBA has been notified by the State Auditor's office that they will be issuing a clean audit opinion. The 2018 exit and 2019 entrance meeting with the State Auditor will be held within the next few weeks.

Charity Suite Use Update – Susie Helget, Administrative Manager. Ms. Helget reported that we had another successful season of non-profit and school groups use of the MBA Suite. There was a lot of good feedback from organizations again this year. 65 organizations used the suite and 23 of them were using it for the first time.

There being no further business, Chair Anderson Kelliher moved to adjourn. The motion was approved unanimously 5 YEAS, 0 NAYS. The board meeting of the Minnesota Ballpark Authority for October 11, 2019 was adjourned at 2:14 p.m.

Next Meeting: January 9, 2020