



Minnesota Ballpark Authority Board Meeting Minutes – October 14, 2021

Chair Margaret Anderson Kelliher called the board meeting of the Minnesota Ballpark Authority for October 14, 2021, to order at 9:06 a.m. The roll was taken. Commissioners David Ybarra, Joan Campbell, James R. Campbell, and Tony Sanneh were present.

Commissioner Joan Campbell moved approval of the agenda, seconded by Commissioner David Ybarra, and approved unanimously – 5 YEAS, 0 NAYS.

APPROVED

Commissioner Tony Sanneh moved approval of the July 15, 2021, meeting minutes seconded by Commissioner James R. Campbell and approved unanimously – 5 YEAS, 0 NAYS

APPROVED

Chair’s Report – Chair Margaret Anderson Kelliher welcomed Kaela Brennan from McGrann Shea Law Firm. Kathleen Lamb, the MBA’s General Counsel since 2006, is transitioning to “Of Counsel” status at McGrann Shea at the end of this year. Ms. Brennan will be taking over Ms. Lamb’s role with the MBA.

Executive Director’s Report – Executive Director Dan Kenney reported that in September a Request for Qualifications (RFQ) was issued by the Twins and the MBA for a public art project at Target Field. The RFQ was for a new mural to replace the existing glass panels along 7th Street. The theme of the project is “All Are Welcome at Target Field and Celebrating Our Community’s Rich Diversity”. Sixteen artists/artist teams responded to the RFQ and five finalists were selected to respond to a Request for Proposals (RFP) for this project. The finalists will present their proposed work to a public art selection committee on November 10th and an artist/artist team will be selected the week of November 15. The mural will be developed over the winter months and installed by Opening Day 2022.

Next month Hines will start construction on the North Loop Green project, a 350,000 square foot office building, 35-story apartment building, with a one-acre green space. This project is scheduled for completion in 2024.

As planning continues for remodeling the Target Field control room and future replacement of the scoreboards, Executive Director Kenney stated that he and members of the Twins staff traveled to

the Giants and Dodgers ballparks in October to meet with their staff, tour their control rooms and examine their video displays. Mr. Kenney said that they anticipate a visit to the Texas Rangers ballpark later in the month.

ACTION ITEMS:

10-14-2021 Proposed Resolution 21-MBA-174

WHEREAS, Paul Williams was appointed by Governor Mark Dayton to serve on the Minnesota Ballpark Authority Board of Commissioners in 2011; and

WHEREAS, Paul Williams brought an extensive background in economic development, employment training and community leadership to the Minnesota Ballpark Authority having served in numerous positions in public, private and non-profit organizations, including as St. Paul's Deputy Mayor, Executive Director of Twins Cities LISC (Local Initiatives Support Corporation) and nationally as LISC's Senior Vice President, and currently as President and CEO of Project for Pride in Living; and

WHEREAS, Paul Williams, as a lifelong baseball fan who travels with friends to MLB ballparks all over the country, always brought a fan's perspective to discussions on potential ballpark improvements; and

WHEREAS, Paul Williams, as Deputy Mayor, played a key role in St. Paul's effort to develop the award-winning CHS Field in Lowertown, which is home to the Saints, the Minnesota Twins top minor league affiliate; and

WHEREAS, as an MBA Commissioner, Paul Williams served as Vice-Chair and as a member of the Audit committee, his leadership skills and knowledge of infrastructure projects and partnerships proving to be a great asset to the MBA and Target Field; and

WHEREAS, Paul Williams displayed a consistent commitment to work with project partners and community-based organizations to offer inclusionary employment opportunities at the ballpark;

NOW THEREFORE BE IT RESOLVED, that the Minnesota Ballpark Authority hereby expresses its sincere appreciation to Paul Williams for his dedicated service in overseeing the operation and long-term preservation of Target Field as a member of the Minnesota Ballpark Authority Board of Commissioners from 2011 through 2020; and

BE IT FURTHER RESOLVED, that the MBA Board gratefully acknowledges Paul William's valuable contributions to the MBA organization; and

BE IT FURTHER RESOLVED, that Paul Williams contributions, commitment to the continued development of the ballpark and surrounding neighborhoods, and overall work ethic will be greatly missed by the MBA Board and staff.

APPROVED

10-14-21 Proposed Resolution 21-MBA-175

Purpose:

To authorize the Executive Director to proceed with publication of the Minnesota Ballpark Authority 2020 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, 2020. 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

10-14-21 2022 Budget Resolution 21-MBA-176

Purpose:

To adopt a 2022 MBA General Fund operating budget and Special Revenue Fund budget for the Minnesota Ballpark Authority.

Background:

The MBA Board reviewed the proposed 2022 General Fund operating budget of \$668,000 at their July 15th meeting. The Board then authorized the Executive Director to submit the proposed 2022 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 21, 2021 board meeting and are scheduled to adopt a final budget on December 14th, 2021.

No changes or amendments to the proposed General Fund budget are being submitted at this time. The MBA is requesting a grant from Hennepin County Sales Tax in the amount of \$668,000, as part of the General Fund operating budget for 2022. The General Fund budget for 2022 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 annually in the amount of \$1,100,000, indexed for inflation. The annual requested capital contribution from Hennepin County for 2022 is \$1,379,250, and annual rent from the Twins, indexed for inflation, is calculated at \$1,052,318. A proposed Ballpark

Capital Reserve Fund budget for 2022 of \$2,581,000 is hereby recommended and shown in Schedule B as attached.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority Board hereby adopts a final 2022 General Fund budget of \$668,000, as incorporated herein and attached as Schedule A, pending final approval by the Hennepin County Board on December 14, 2021; and

BE IT FURTHER RESOLVED that the Minnesota Ballpark Authority Board hereby adopts a 2022 Special Revenue Fund budget of \$2,581,000, for the Ballpark Capital Reserve Fund, as incorporated herein and attached as Schedule B.

**SCHEDULE A
2022 OPERATING BUDGET
GENERAL FUND**

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

Budget Summary - Fund 82

	2020 Actual	2021 Budget	2022 Budget
Beginning Fund Balance	\$ 1,111,956	\$ 1,100,204	\$ 1,100,204
Revenues:			
<i>County Grant</i>	630,000	673,000	668,000
<i>Local Grant</i>	756		
<i>Interest Revenue</i>	9,749	-	-
<i>Other</i>	81	-	-
Total Revenue	\$ 640,586	\$ 673,000	\$ 668,000
Expenditures:			
<i>Personal Services</i>	438,874	465,400	451,300
<i>Commodities</i>	387	1,300	1,000
<i>Contracted Services</i>	162,967	165,000	161,800
<i>Other</i>	50,110	41,300	53,900
Total Expenses	\$ 652,338	\$ 673,000	\$ 668,000
Ending Fund Balance	\$ 1,100,204	\$ 1,100,204	\$ 1,100,204

SCHEDULE B
2022 BUDGET
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 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

	2020 Actual	2021 Budget	2022 Budget
Beginning Fund Balance	\$ 15,710,966	\$ 18,181,327	\$ 20,655,327
Revenues:			
<i>Annual Rent</i>	1,009,253	1,014,000	1,052,000
<i>Hennepin County Contribution</i>	1,300,296	1,310,000	1,379,000
<i>Investment earnings</i>	160,812	150,000	150,000
Total Revenue	\$ 2,470,361	\$ 2,474,000	\$ 2,581,000
Expenditures:			
<i>Capital Outlay</i>	-	2,474,000	2,581,000
Total Expenses	\$ -	\$ 2,474,000	\$ 2,581,000
Ending Fund Balance	<u>\$ 18,181,327</u>	<u>\$ 20,655,327</u>	<u>\$ 23,236,327</u>

APPROVED

10-14-21 Proposed Resolution 21-MBA-177

Purpose:

To set the 2022 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 2022 quarterly board meetings will be held on Thursday, January 13th, Thursday, April 14th, Thursday, July 21st, and Thursday, October 13th. 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

10-14-21 Proposed Resolution 21-MBA-178

Purpose:

To amend the 2021 Special Revenue Fund budget to acknowledge the commencement of the scoreboard control room project.

Background:

At the July 2021 MBA meeting, the Board considered and approved Resolution 21-MBA-173 to authorize the expenditure of \$7.6 million from the Ballpark Capital Reserve Fund to replace the existing control room equipment, as the first phase of the scoreboard replacement project. As outlined at the July meeting, the team has committed to funding 50% of the total project costs for the new control room and video displays. MBA staff will offer another resolution for the Board's consideration at a future MBA meeting, after the scope is defined and the budget is finalized for the video display boards.

The project team is currently procuring the new production equipment and will be assembling the control room consoles and new rack system at an off-site location later this year. The remodeling of the existing control room space will start in early January of 2022, after the NHL Winter Classic.

The 2021 Special Revenue Fund Budget was adopted in October of 2020, before the scoreboard control room project had been considered and approved by the MBA Board. MBA staff is requesting authorization to amend the 2021 Special Revenue Fund Budget, consistent with the terms of Resolution 21-MBA-173.

Action Requested:

BE IT RESOLVED that the Minnesota Ballpark Authority authorizes amending the 2021 Special Revenue Budget; and

BE IT FURTHER RESOLVED that the Minnesota Ballpark Authority approves a supplemental appropriation of \$7,600,000 to the 2021 Capital Reserve Budget, funded by a transfer from the Capital Reserve Fund balance for the Scoreboard Control Room Project; and

BE IT FURTHER RESOLVED that the Executive Director be authorized to transfer and disburse funds as directed.

APPROVED

DISCUSSION ITEMS

Target Field Operations Update – Matt Hoy, Senior VP, Operations, Minnesota Twins.

Mr. Hoy reported that overall attendance at Target Field this season was 1,310,000 fans. As Executive Director Kenney noted in his update, plans continue on construction of a new control room and new scoreboards at Target Field. Winterization of the building has begun with plans to keep the heat on, and some concession stands open and cleaned for the upcoming NHL Classic to be held at Target Field January 1, 2022. The NHL will take over the building December 18, 2021, for construction of the hockey rink. Delaware North has hired a new Human Resources Director and new Merchandise Manager to work with Delaware North General Manager Pete Spike in preparation for next season.

Financial Report – Brenda Juneau, MBA Finance Coordinator. Ms. Juneau gave a financial report for the period ending September 30, 2021. The balance in the Capital Project Fund is currently at \$8.6 million. The Capital Reserve Fund is at \$18.2 million with \$7.6 million allocated to the new control room and scoreboard construction. Capital Project expenses have been minimal this year.

Ms. Juneau reported on the Hennepin County ballpark sales tax and debt. Sales tax revenue has typically increased each year since inception, except for 2020, when receipts were about 10% lower than the year before due to the impact of the COVID-19 pandemic. However, sales tax revenue in 2020 was more than sufficient to pay Hennepin County debt service requirements along with MBA operating and capital obligations. Ballpark sales tax revenue collections have generally exceeded expectations, allowing Hennepin County to prepay \$80,200,000 of outstanding principal over the past eleven years. The remaining outstanding principal balance on the 2017A Refunding Bonds will be \$94,875,000 at year-end 2021.

There being no further business, Commissioner Jim Campbell moved to adjourn, Commissioner Joan Campbell seconded. The motion was approved unanimously 5 YEAS, 0 NAYS. The board meeting of the Minnesota Ballpark Authority for October 14, 2021 was adjourned at 9:54 a.m.

Next meeting: January 13, 2022