

## 10-13-22 2023 Budget Resolution 22-MBA-187

### **Purpose:**

To adopt a 2023 MBA General Fund operating budget and Special Revenue Fund budget for the Minnesota Ballpark Authority.

### **Background:**

The MBA Board reviewed the proposed 2023 General Fund operating budget of \$660,000 at the July 21 meeting. The Board then authorized the Executive Director to submit the proposed 2023 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 27, 2022, board meeting and are scheduled to adopt a final budget on December 15, 2022.

No changes or amendments to the proposed MBA General Fund budget are being submitted at this time. The MBA is requesting a grant from Hennepin County Sales Tax in the amount of \$660,000, as part of the General Fund operating budget for 2023. The General Fund budget for 2023 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 calculated capital contribution from Hennepin County for 2023 is \$1,504,207, and annual rent from the Twins, indexed for inflation, is calculated at \$1,120,477. A Ballpark Capital Reserve Fund budget for 2023 of \$2,774,000 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 2023 General Fund Operating budget of \$660,000, including 2.8 Full-Time Equivalents, as incorporated herein and attached as Schedule A, pending final approval by the Hennepin County Board on December 15, 2022; and

**BE IT FURTHER RESOLVED** that the Minnesota Ballpark Authority Board hereby adopts a 2023 Special Revenue Fund budget of \$2,774,000, for the Ballpark Capital Reserve Fund, as incorporated herein and attached as Schedule B.

**SCHEDULE A**  
**2023 ADOPTED OPERATING BUDGET**  
**GENERAL FUND**

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

**Budget Summary - Fund 82**

	2021 Actual	2022 Budget	2023 Budget
Beginning Fund Balance	\$ 1,100,204	\$ 1,099,098	\$ 1,099,098
<b>Revenues:</b>			
<i>County Grant</i>	620,000	668,000	660,000
<i>Local Grant</i>	494	-	-
<i>Interest Revenue</i>	(5,646)	-	-
<i>Other</i>	163	-	-
<b>Total Revenue</b>	<b>\$ 615,011</b>	<b>\$ 668,000</b>	<b>\$ 660,000</b>
<b>Expenditures:</b>			
<i>Personal Services</i>	436,055	451,300	466,900
<i>Commodities</i>	428	1,000	500
<i>Contracted Services</i>	137,205	161,800	143,100
<i>Other</i>	42,429	53,900	49,500
<b>Total Expenses</b>	<b>\$ 616,117</b>	<b>\$ 668,000</b>	<b>\$ 660,000</b>
Ending Fund Balance	\$ 1,099,098	\$ 1,099,098	\$ 1,099,098
Budgeted Positions (Full-Time Equivalents)	2.8	2.8	2.8

**SCHEDULE B**  
**2023 ADOPTED 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**

	2021 Actual	2022 Budget	2023 Budget
Beginning Fund Balance	\$ 18,181,327	\$ 15,437,439	\$ 5,644,942
<b>Revenues:</b>			
<i>Annual Rent</i>	1,013,832	1,052,000	1,120,000
<i>Hennepin County Contribution</i>	1,308,693	1,379,000	1,504,000
<i>Investment earnings</i>	(108,910)	150,000	150,000
<b>Total Revenue</b>	<b>\$ 2,213,615</b>	<b>\$ 2,581,000</b>	<b>\$ 2,774,000</b>
<b>Expenditures:</b>			
<i>Capital Outlay</i>	4,957,503	-	-
<i>Future Capital Projects</i>	-	2,581,000	2,774,000
<b>Total Expenses</b>	<b>\$ 4,957,503</b>	<b>\$ 2,581,000</b>	<b>\$ 2,774,000</b>
<b>Capital Outlay Projects - Budgeted</b>			
<i>Use of Fund Balance</i>			
Control Room/Scoreboards	-	2,642,497 <sup>1</sup>	-
Video Displays	-	7,150,000	-
<b>Total Use of Fund Balance</b>	<b>\$ -</b>	<b>\$ 9,792,497</b>	<b>\$ -</b>
Ending Fund Balance	\$ 15,437,439	\$ 5,644,942	\$ 8,418,942

<sup>1</sup> \$7.6M approved in 2021 of which \$4,957,503 expended